

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

LAUREL A. JOHNSTON  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

December 29, 2016

The Honorable Jill N. Tokuda, Chair  
Senate Committee on Ways and Means  
Twenty-Eighth State Legislature  
State Capitol, Room 207  
Honolulu, Hawaii 96813

Dear Chair Tokuda:

As requested in your memorandum dated December 5, 2016, attached is the budget briefing testimony for the Department of Budget and Finance.

If there are any questions, please have your staff contact Mr. Tracy Ban at 586-1601 or Ms. Louisa Lee at 586-1632.

Sincerely,

WESLEY K. MACHIDA *for*  
Director of Finance

Attachments

c: ARO  
BPPM  
Programs and Attached Agencies

JOINT SENATE COMMITTEE ON WAYS AND MEANS AND HOUSE COMMITTEE ON FINANCE  
BIENNIUM BUDGET REQUESTS FOR FISCAL BIENNIUM 2017-2019

JANUARY 5, 2017

TESTIMONY OF THE DEPARTMENT OF BUDGET AND FINANCE

A. **OVERVIEW**

**MISSION STATEMENT**

The mission of the Department of Budget and Finance (Department) is to enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

B. **CURRENT STATEWIDE CONDITIONS AND IMPACTS ON DEPARTMENTAL OPERATIONS**

The Council on Revenues projected 5.5% revenues for this fiscal year 2017; however, actual tax revenue collections for the first 5 months in the fiscal year have been flat at 0.7%. Should this continue for the rest of the fiscal year, the general fund tax revenue collections will be more than \$350 million less than expected, and result in projected expenditures exceeding projected revenues that will use up any general fund ending balances. Compounding the uncertainty with the current tax revenue collections is the projected growth of Hawaii's economy slowing down in 2018 and 2019 as indicated by the University of Hawaii Economic Research Organization (UHERO) in its December 16, 2016 report. According to UHERO, visitor arrivals, payroll jobs, personal income, and gross domestic product is projected to grow at a declining rate from 2016 to 2019

To ensure the constitutionally required balanced budget and the projected growth of the Hawaii economy slowing down, expenditures will have to be reduced. Ninety-six (96) percent or more of the department's budget is used to pay for pension and health

benefit employer contributions, social security and medicare employer contributions, and debt service principal and interest payments to investors. This leaves a portion of the four (4) percent of expenditures that can be reduced to assist with balancing the State budget.

Further exacerbating the State's and department's budget will be the increasing pension and health benefit employer contributions to the Employees' Retirement System (ERS) and Hawaii Employer-Union Health Benefits Trust Fund (EUTF) because of State and county government employees improved life expectancies since retirement. As determined by the ERS Actuary, the improved life expectancy causes the pension unfunded liability to increase by more than \$1 billion, resulting in significantly more contributions to the ERS that will be needed to meet the expected benefit payouts. The impact to the EUTF for this increase in life expectancies will be addressed by the EUTF Board and Actuary in the next few months, of which its impact is likely to be as significant as the ERS.

Finally, interest rates have recently increased and has affected the bond markets for municipal bond sellers like the State of Hawaii, where if rates continue to rise, then the department will have to request for increased legislative authorization in future budgets to pay more interest to State of Hawaii bondholders.

**C. FEDERAL FUNDS**

The Department does not have any identified programs which may lose federal funds.

**D. BUDGET REQUESTS DEVELOPMENT AND PRIORITIZATION**

The Executive Biennium Budget submittal for this department focused on meeting the priority needs in the following key areas:

- A) Adjustments to the funding levels for the non-discretionary fixed cost requirements in FY 2018 and FY 2019 include: debt service; retirement benefits; which includes Pension Accumulation and Social Security/Medicare (SS/Med) payments for State employees, payments for the employer's share of health premiums, and payments which are necessary to meet the Other Post-Employment Benefits (OPEB) Annual Required Contribution (ARC) amounts for the State employees.
- B) Full year funding for new positions that were authorized by Act 124, SLH 2016 Supplemental Appropriations Act that included a six month delay in hiring.
- C) Funding level increases for the department's non-general funded programs to reflect an adjustment in the comprehensive fringe benefit assessment rate from the current 52 percent to 60 percent which is the new rate for the Biennium Budget submittals and;
- D) Priority budget requests for FY 2018 and FY 2019 deemed necessary to meet targeted departmental program improvement needs which include the following: for the general administration program (BUF 101), 1.00 FTE ITS IV position and funds which will enable the department to effectively adopt, support, integrate, and deploy key IT improvements and initiatives department wide. The departmental IT initiatives have been identified in our B&F departmental strategic roadmap, are in line with ETS' general direction and are necessary to improve both the productivity and capabilities of our core B&F programs and attached agencies to effectively meet the growing challenges to

serve their core target groups within available resources. The Financial Administration Division program (BUF 115) requests the conversion of 1.00 FTE authorized and filled Accountant V position from MOF (U) to MOF (A). This Accountant V position performs necessary on-going investment functions for the State's Treasury Investment Pool and should be directly funded by the General Fund. For the Employees' Retirement System (ERS) program (BUF 141) additional funds are requested to support mission critical computer system improvements which are necessary to protect both the Personally Identifiable Information (PII) and financial data which are stored on ERS' computer systems, funds are also requested for computer system programming costs and for 1.00 FTE program specialist position both of which are needed to implement the Hawaii Domestic Relations Orders which is mandated by Act 263, SLH 2016; additional funds are also necessary to complete critical software upgrades to ERS' Oracle Financial Accounting module, necessary computer equipment replacements to ensure ERS' IT systems reliability, and for enhancements which will enable ERS' computer systems to support critically necessary disaster recovery capabilities. For the Hawaii Employer-Union Trust Fund program (EUTF), funds are being requested for 1.00 FTE permanent Business Analyst position and 1.00 FTE permanent Investment Specialist position which are necessary to support the growing complexity, needs, and challenges of the EUTF. Finally, the Office of the Public Defender program (BF 151), requests the conversion of 50.00 FTE authorized temporary

positions to permanent status. Of the 50.00 FTE temporary positions 47.00 FTE are Deputy Public Defender positions which are needed to support the ongoing and necessary governmental function of providing effective legal representation for the indigent. The conversion of these budgeted temporary positions to permanent status will support the Office of the Public Defender in its recruitment and retention efforts and better align these positions with the permanent nature of this important governmental function.

The Department's Biennium operating budget request (all MOF) represents a net increase of \$81.6 million in FY 2018 and \$233.3 million in FY 2019 compared against the FY 2017 appropriation funding levels in Act 124, SLH 2016.

In FY 2018 and FY 2019, respectively, General funds are increased by \$32.2 million and \$187.1 million, Special funds are decreased by \$2.8 million in both years, Trust funds are increased by \$495 thousand and \$586 thousand. Other funds are decreased by \$1.1 million and \$4.4 million respectively and interdepartmental transfer funds are increased by \$916 thousand in both years again, as compared to the FY 2017 appropriations.

Requested funding levels for the biennium are as reflected in the following table:

	Budget Request FY 2017-2018	Budget Request FY 2018-2019	Biennium Requirement
(Pos. Count)	371.50	372.50	372.50
Personnel Services	\$35,754,307	\$35,962,919	\$71,717,226
Current Expenses:			
Discretionary	\$68,381,910	\$65,237,292	\$133,619,202
Non-discretionary	\$2,579,560,399	\$2,734,392,790	\$5,313,953,189
Equipment	\$1,312,150	\$384,900	\$1,697,050
Total	\$2,647,942,309	\$2,799,630,082	\$5,447,572,391
(Pos. Count)	(195.75)	(195.75)	(195.75)
General Funds	\$2,598,380,471	\$2,753,236,178	\$5,351,616,649
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Fund	\$93,444	\$93,444	\$186,888
(Pos. Count)	67.00	68.00	68.00
Trust Fund	\$19,268,763	\$19,360,592	\$38,629,355
(Pos. Count)	(0.75)	(0.75)	(0.75)
Interdepart'l Fund	\$10,917,798	\$10,918,489	\$21,836,287
(Pos. Count)	108.00	108.00	108.00
Other Funds	\$19,281,833	\$16,021,379	\$35,303,212

Please note that 97% of the FY 2018 budget request (\$2.579 billion) is for non-discretionary statewide expenses (debt service, retirement system, health fund, witness fees, and court-appointed counsel), and \$68 million or 3% is for expenses associated with direct departmental operations.

**This concludes the department-wide budget overview. Specific additional information pursuant to the 2017 Budget Briefing Testimony Instructions are provided in attached (Tables 1 through 20).**

The following are more detailed descriptions of the sixteen programs in the Department. Each administratively attached agency is present to elaborate on their individual budgets should there be questions on details or operations. The nine (9) programs covering fixed cost and entitlement payments (BUF 721, BUF 725, and BUF 728 -Debt Service Payments; BUF 741, BUF 745, and BUF 748 -Retirement Benefit Payments; BUF 761, BUF 765, and BUF 768 (Health Premium Payments), will be discussed in conjunction with related core programs. The program sequencing of the Department of Budget and Finance's programs has been grouped as follows:

- BUF 101, Departmental Administration and Budget Division Program;
- BUF 102, Collective Bargaining;
- BUF 103, Vacation Payout Statewide
- BUF 115, Financial Administration Division;
- \*BUF 141, Employees' Retirement System;
- \*BUF 143, Hawaii Employer-Union Trust Fund; and
- \*BUF 151, Office of the Public Defender;

**Fixed Costs:**

- BUF 721, Debt Service Payments;
- BUF 725, Debt Service Payments-DOE;
- BUF 728, Debt Service Payments-UH;



- BUF 741, Retirement Benefits Payments;
- BUF 745, Retirement Benefits Payments-DOE;
- BUF 748, Retirement Benefits Payments-UH;
- BUF 761, Health Premium Payments;
- BUF 765, Health Premium Payments-DOE;
- BUF 768, Health Premium Payments-UH

**\*Administratively Attached Agencies/Programs**

**The first four (4) programs are the Department's direct programs, comprised of the Director's Office, the Administrative and Research Office, the Budget, Program Planning and Management Division, and Office of Federal Awards Management (collectively BUF 101 and BUF 102), Vacation Payout Statewide (BUF 103), and the Financial Administration Division (BUF 115). The next three (3) programs, annotated with asterisks, are agencies administratively attached to the Department.**

There are also nine (9) programs which cover payments for non-discretionary cost items placed under separate program designations.

**BUF 101, DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION PROGRAM**

**I. Introduction**

- A. The objective of this program is to facilitate and improve the executive resource allocation process by undertaking planning, programming, and budgeting, through sound recommendations on all phases of program scope and funding, and by efforts to simplify and more directly tie program performance with resource allocation decisions.

B. This program includes: 1) Departmental Administration; 2) the Budget, Program Planning and Management Division; and 3) Federal Awards Management.

II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 101 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION</b>	
BUF 101AA	Provides administrative support activities to the Department.
BUF 101BA	Conducts continuous reviews and advises the Director and Governor on the financial condition of the State and on State budget policies.
	Assists in the preparation, explanation, and administration of the State's proposed six-year program and financial plan and the State budget.
	Advises and monitors State agencies for compliance with budget execution policies and procedures.
	Performs analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making.
	Provides staff services for the Governor as required.
BUF 102CB	Collective bargaining for MOF A, B, N, and P
BUF 102CC	Collective bargaining for MOF W.
BUF 103VP	Centralized vacation payout for all departments (except Department of Education and University of Hawaii).
BUF 761ST, BUF 765LE, BUF 768HE	Makes employer contributions for health benefit premiums for State employees, retirees and their dependents.

The FB 17-19 budget request for BUF 101 includes additional funds for increases in employee fringe benefits of \$2,554 in FY 2018 and \$3,245 in FY 2019 (for a partially non-general funded Office Assistant position). The FB 17-19 Budget request also includes the following items:

- \$28,116 in FY 2018 and \$51,432 in FY 2019 (for 1.00 FTE permanent ITS IV position which is needed to support the business users of the core B&F programs and to support the implementation of B&F departmental IT initiatives).
- \$55,476 in FY 2018 and FY 2019 (for full year funding for 2.00 Permanent Program Budget Analyst V positions for the BUF 101/BA program).
- The FB 17-19 budget request for BUF 103 is for \$4.5 million in FY 2018 and FY 2019 (to centralize vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX).

**Capital Improvement Requests for Fiscal Biennium 2017-2019:**

Program ID: BUF 101

Project Title and Description: Bishop Museum Facility and Energy Improvements

Financial Requirements:

<u>Cost Element</u>	<u>MOF</u>	<u>FY 18 Request</u>	<u>FY 19 Request</u>
Design	C	\$1,000	
Construction	C	\$873,000	\$0
Equipment	C	\$1,000	

Explanation and Scope of Project:

Design, construction, and equipment to perform HVAC system repairs, lighting upgrades, restroom ADA compliancy upgrades, and energy efficiency improvements for the Bishop Museum.

**The next three programs are BUF 761, BUF 765, and BUF 768, HEALTH PREMIUM PAYMENTS programs.**

I. Introduction

- A. These programs were established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee health benefits.
- B. Cost requirements for active employees are based on current benefit plan premiums and projected eligible employees. The program request for active employees for FB 17-19 is an additional \$11.6 million in FY 2018 and \$17.1 million in FY 2019. Premium requirements for retirees are based on rates projected by the EUTF benefit consultant and anticipated enrollment levels. The program request for retirees for FB 17-19 is an additional \$22.5 million in FY 2018 and \$68.5 million in FY 2019. The program request for other post-employment benefits (OPEB) for FB 17-19 is an additional \$43.6 million in FY 2018 and \$47.4 million in FY 2019. Projected enrollments for actives and retirees are based on actual 2016 enrollments with an annual growth factor (2% for actives and 4% for retirees).

**The next program is the BUF 115, FINANCIAL ADMINISTRATION PROGRAM.**

I. Introduction

- A. The objective of this program is to maximize the value, investment, and use of State funds through proactive planning, and the development of prudent statewide financial policies, the timely scheduling of State bond financing, and the establishment of appropriate cash management controls and procedures. In addition, the objective of

the unclaimed property program is to maximize the receipt of unclaimed property or funds from holders and to return the property or funds to their rightful owners.

II. The major activities undertaken by this program to meet program objectives are as follows:

BUF 115 Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
FINANCIAL ADMINISTRATION	
BUF 115CA	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury.
BUF 115CA	Maximize investment of funds as allowable by statute.
BUF 115CA	Plan, direct, and coordinate the issuance and marketing of bonds.
BUF 115CA	Receive unclaimed property or funds from holders and holds them in trust until they are returned to their rightful owner.
BUF 721, BUF 725, BUF 728	Makes debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the State.

There are no requests for additional funds for increases in employee fringe benefits. The FB 17-19 budget request includes the following items:

- \$22,794 in FY 2018 and FY 2019 (for full year funding for an Accountant III position).
- \$60,780 in FY 2018 and FY 2019 from General Funds, and a decrease of \$105,073 in FY 2018 and FY 2019 from Interdepartmental Transfers (to convert the means of financing for 1.00 FTE Accountant V position).

**The next three (3) programs are the BUF 721, BUF 725, and BUF 728, DEBT SERVICE PAYMENTS programs, which are also administered by the Financial Administration Division.**

I. Introduction

- A. This program was established by the Legislature to separately identify funds available for the State's debt service payments.
- B. This program includes principal and interest payments associated with GO Bonds and GO Reimbursable Bonds issued by the State.

Appropriation and expenditures for the Department of Education and the University of Hawaii are included and debt service is paid centrally by the Financial Administration Division. The proposed FB 17-19 total General Obligation bond debt service request (MOF A) is a decrease of \$18.1 million in FY 2018 and an increase of \$64.8 million in FY 2019. The budget request requirements supports G.O. Bond CIP projects included in the Executive Biennium Budget request.

**The next program is the BUF 141, Employees' Retirement System (ERS).**

**I. Introduction**

A. The ERS program objectives are to provide retirement and survivor benefits to State and county employees, retirees, and inactive vested members and to prudently maximize the return on its investment portfolio.

II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 141 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>EMPLOYEES' RETIREMENT SYSTEM</b>	
BUF 141FA	Provides various membership services including pre-retirement counseling; computation of retirement, disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals.
BUF 141FA	Budgets, accounts for and safeguards all assets of the ERS; ensures tax qualified status of the fund; and processes retirement benefit payments.
BUF 141FA	Plans, administers and oversees investments of the ERS' portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short-term instruments.
BUF 741, BUF 745, BUF 748	Makes payments for employer contributions towards State government employee retirement benefits including pension accumulation and Social Security/Medicare.

The FB 17-19 budget request includes additional funds for increases in employee fringe benefits of \$673,128 for FY 2018 and \$673,158 for FY 2019 (for ERS' non-general funded positions). The FB 17-19 budget request also include the following items:

- \$238,200 in FY 2018 and \$13,200 in FY 2019 (for computer security enhancements to protect personally identifiable information such as employees' social security number).
- \$2,018,171 in FY 2018 and \$107,552 in FY 2019 (personnel and resources necessary to comply with Act 263, SLH 2016 regarding the Hawaii Qualified Domestic Relations Order).
- \$1,538,900 in FY 2018 and \$339,900 in FY 2019 (to upgrade the Oracle Financials business applications which are necessary to support the ERS).
- \$299,000 in FY 2018 and \$316,000 in FY 2019 (to cover the increase in audit costs, legal costs, postage, and actuary fees charged to the ERS).
- \$771,900 in FY 2018 and \$793,100 in FY 2019 (to replace IT and other equipment, and to cover the increase in IT maintenance costs).
- \$39,726 in FY 2018 and \$75,661 in FY 2019 (to add 1.00 permanent Retirement Claims Examiner position due to increase in ERS's membership and workload requirements).

**The next three (3) programs are BUF 741, BUF 745, and BUF 748, RETIREMENT BENEFIT PAYMENTS.**

**I. Introduction**

- A. These programs were established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee retirement benefits.
- B. This program includes employer contributions for pension accumulation and Social Security/Medicare (SS/Med) as general fund appropriations for State employees, the Department of Education (DOE), and the University of Hawaii (UOH). Pension



accumulation contributions are based on a percentage of payroll as stipulated in Chapter 88, HRS. SS/Med contributions are federally mandated and based on assessment rates of 6.2% for Social Security and 1.45% for Medicare.

The program request for FB 17-19 includes additional appropriations for pension accumulation totaling \$6.34 million in FY 2018 and \$17.9 million in FY 2019 (MOF A). Employer contributions are based on statutorily set percentages of payroll — 25% of the member's compensation for police and firefighters and 17% of the member's compensation for all other employees. Payroll projections are based on actuals through June 30, 2016.

Additional SS/Med requirements (MOF A) total \$5.2 million in FY 2018 and \$10.2 million in FY 2019 based on actual payroll expenditures through June 30, 2016. Assessment rates are 6.2% for Social Security and 1.45% for Medicare.

**The last Government-Wide support program is the BUF 143, the Hawaii Employer-Union Trust Fund (EUTF).**

I. Introduction

- A. The objective of this program is to administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements.

II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 143 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND</b>	
BUF 143EU	EUTF Board of Trustees determine the nature and scope of the benefit plans offered, negotiate and enter into contracts with insurance carriers, administer self-funded plans, establish eligibility and management policies for the Trust Fund, and oversee all Trust Fund activities.
BUF 143EU	EUTF staff train State and county personnel and fiscal officers on enrollment procedures, collect employer and employee contributions, remits premiums to insurance carriers, provide enrollment services to State and county retirees, administer the federal COBRA Law, assist the Department of Human Resources Development in administration of the State of Hawaii's Premium Conversion Plan and comply with HIPAA privacy and security regulations and policies related to enrollment information.

The FB 17-19 budget request includes additional funds for increases in employee fringe benefits of \$323,709 for FY 2018 and FY 2019 (for EUTF Trust Funded positions). The FB 17-19 budget requests also includes the following items:

- \$44,369 in FY 2018 and FY 2019 (for full year funding for a Benefits Compliance Audit Specialist position).
- \$48,314 in FY 2018 and \$91,829 in FY 2019 (to add 1.00 permanent Business Analyst position to support the EUTF).
- \$48,314 in FY 2019 (to add 1.00 permanent Investment Specialist position to support the EUTF).

**The next administratively attached program is under the Individual Rights major program area.**

The BUF 151, Office of the Public Defender program.

I. Introduction

A. The objective of this program is to safeguard the rights of individuals in need of assistance in criminal, mental commitment and family cases by providing constitutionally and statutorily entitled legal services. The FB 17-19 budget request includes additional funds of \$20,126 in FY 2018 and FY 2019 for full year funding for a Clerical Supervisor position and to convert 50.00 FTE temporary positions to permanent status. This request to convert the temporary positions does not require additional funds.

II. The major activities undertaken by this program to meet program objectives are as follows:

BUF 151 Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
OFFICE OF THE PUBLIC DEFENDER	
BUF 151HA	Provide comprehensive legal and other necessary services to the indigent in criminal, mental commitment and family cases as required by federal and State constitutions, State statutes, judicial rules and decisions and opinions, and the canons of professional ethics.

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Departmental Administration and Budget Division	Departmental Administration	Provide administrative support activities to the Department	101/AA	Chapter 26-8, HRS
Budget Planning & Management Division	Staff services to the Governor	Provide staff services for the Governor as required	101/BA	Chapter 26 and 37, HRS
	Statewide analysis and reviews of operations and management - Executive Branch	Perform analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making	101/BA	Chapter 26 and 37, HRS
	Statewide analysis, review, and budget policy Executive Branch	Conduct continuous reviews and advises the Director and Governor on the financial condition of the State and on State Budget Policies	101/BA	Chapter 26 and 37, HRS
	Statewide financial planning and budgeting - Executive Branch	Assist in the preparation, explanation, and administration of the State's proposed six year program and financial plan and the State budget	101/BA	Chapter 26 and 37, HRS
	Statewide budget execution implementation Executive Branch	Advise and monitoring of State agencies for compliance with budget execution policies and procedures	101/BA	Chapter 26 and 37, HRS
Collective Bargaining - Statewide	Collective bargaining statewide	Collective bargaining for MOF A, B, N, and P.	102/CB	Chapter 26-8, HRS
Collective Bargaining - Statewide	Collective bargaining statewide	Collective bargaining for MOF W.	102/CC	Chapter 26-8, HRS
Vacation Payout Statewide	Centralized vacation payout for all departments; except Department of Education (DOE) and University of Hawaii (UH)	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX.	103/VP	Chapter 26-8, HRS
Financial Administration Division	State Treasury Investments	Maximize the investment of funds as allowable by statute	115/CA	Chapter 36 and 38, HRS
	State Treasury operations	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury	115/CA	Chapter 36, 38, and 39, HRS
	State Bond Issuances	Plan, direct, and coordinate the issuance and marketing of bonds	115/CA	Chapter 36 and 39, HRS
	State Unclaimed Property	Receive unclaimed property of funds from holders and safeguards them in trust until they are returned to their rightful owners	115/CA	Chapter 523A, HRS

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Employees' Retirement System	Employees' Retirement System (ERS's) Accounting and Financial operations	Budget, account, and safeguard all assets of the ERS; ensure tax qualified status of the fund; and process retirement benefit payments	141/FA	Chapter 88, HRS
	ERS's Investment operations	Plan, administer, and oversee investment of the ERS' portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short term instruments	141/FA	Chapter 88, HRS
	ERS's membership services	Provide various membership services including pre-retirement counselling; computation of retirement; disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals	141/FA	Chapter 88, HRS
Hawaii Employer Union Trust Fund	Hawaii Employer Union Trust Fund (EUTF) - support of customer service and enrollment, accounting, financial management, and regulatory compliance functions	Enrollment, customer service, accounting/financial management, regulatory compliance, and IT support related activities	143/EU	Chapter 87A, HRS
	EUTF - Support of Board of Trustee and management level functions	The EUTF Board determines the nature and scope of the benefit plans offered, negotiates and enters into contracts with insurance carriers, administers self funded plans, establishes eligibility and management policies for the Trust Fund, and oversees all Trust Fund activities.	143/EU	Chapter 87A, HRS
Office of the Public Defender	Legal and other necessary services to the indigents as required by federal and State constitutions	Legal representation of indigent individuals charged with criminal offenses.	151/HA	Chapter 802, HRS
Debt Service Payments - State	State Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the State	721/ST	Chapter 36 and 39, HRS
Debt Service Payments - Lower Education/DOE	DOE Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the Department of Education	725/LE	Chapter 36 and 39, HRS
Debt Service Payments - Higher Education/UH	UH Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the University of Hawaii	728/HE	Chapter 36 and 39, HRS

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Retirement Benefits Payments - State	State employer contributions for Retirement Benefits	Make payments for State employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	741/ST	Chapter 26 and 37, HRS
Retirement Benefits Payments - Lower Education/DOE	DOE employer contributions for Retirement Benefits	Make payments for DOE employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	745/LE	Chapter 26 and 37, HRS
Retirement Benefits Payments - Higher Education/UH	UH employer contributions for Retirement Benefits	Make payments for UH employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	748/HE	Chapter 26 and 37, HRS
Health Premium Payments - State	State employer contributions for Health Premiums	Make employer contributions for health benefit premiums for State employees, retirees, and their dependents (except for Department of Education and the University of Hawaii system)	761/ST	Chapter 26 and 37, HRS
Health Premium Payments - Lower Education/DOE	DOE employer contributions for Health Premiums	Make employer contributions for health benefit premiums for Department of Education employees, retirees, and their dependents	765/LE	Chapter 26 and 37, HRS
Health Premium Payments - Higher Education/UH	UH employer contributions for Health Premiums	Make employer contributions for health benefit premiums for University of Hawaii employees, retirees, and their dependents	768/HE	Chapter 26 and 37, HRS

Department of Budget and Finance  
Department-Wide Totals

Table 2

Fiscal Year 2017				
Act 124/16 Appropriation	Restriction	Emergency Appropriations	Total FY17	MOF
\$ 2,566,132,529	\$ (103,010)	\$ -	\$ 2,566,029,519	A
\$ 2,854,560	\$ -	\$ -	\$ 2,854,560	B
\$ 841,250	\$ -	\$ -	\$ 841,250	N
\$ 12,196	\$ -	\$ -	\$ 12,196	P
\$ 18,774,139	\$ -	\$ -	\$ 18,774,139	T
\$ 10,002,294	\$ -	\$ -	\$ 10,002,294	U
\$ 213,261	\$ -	\$ -	\$ 213,261	W
\$ 20,418,249	\$ -	\$ -	\$ 20,418,249	X
\$ 2,619,248,478	\$ (103,010)	\$ -	\$ 2,619,145,468	Total
Fiscal Year 2018				
Act 124/16 Appropriation	Reductions	Additions	Total FY18	MOF
\$ 2,566,132,529	\$ (63,331,414)	\$ 95,579,356	\$ 2,598,380,471	A
\$ 2,854,560	\$ (2,854,560)	\$ 93,444	\$ 93,444	B
\$ 841,250	\$ (841,250)	\$ -	\$ -	N
\$ 12,196	\$ (12,196)	\$ -	\$ -	P
\$ 18,774,139	\$ (2,400)	\$ 497,024	\$ 19,268,763	T
\$ 10,002,294	\$ (5,959,740)	\$ 6,875,244	\$ 10,917,798	U
\$ 213,261	\$ (213,261)	\$ -	\$ -	W
\$ 20,418,249	\$ (6,950,000)	\$ 5,813,584	\$ 19,281,833	X
\$ 2,619,248,478	\$ (80,164,821)	\$ 108,858,652	\$ 2,647,942,309	Total
Fiscal Year 2019				
Act 124/16 Appropriation	Reductions	Additions	Total FY19	MOF
\$ 2,566,132,529	\$ (43,830,028)	\$ 230,933,677	\$ 2,753,236,178	A
\$ 2,854,560	\$ (2,854,560)	\$ 93,444	\$ 93,444	B
\$ 841,250	\$ (841,250)	\$ -	\$ -	N
\$ 12,196	\$ (12,196)	\$ -	\$ -	P
\$ 18,774,139	\$ (2,400)	\$ 588,853	\$ 19,360,592	T
\$ 10,002,294	\$ (5,959,740)	\$ 6,875,935	\$ 10,918,489	U
\$ 213,261	\$ (213,261)	\$ -	\$ -	W
\$ 20,418,249	\$ (6,950,000)	\$ 2,553,130	\$ 16,021,379	X
\$ 2,619,248,478	\$ (60,663,435)	\$ 241,045,039	\$ 2,799,630,082	Total

Department of Budget and Finance  
Program ID Totals

Table 3

Prog ID	Program Title	As budgeted in Act 124/16 (FY17)				Governor's Submittal (FY18)				Governor's Submittal (FY19)			
		MOF	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$
BUF 101	Departmental Administration and Budget Divisor	A	45.25	-	\$ 12,444,982	46.25	-	\$ 11,687,741	-6.08%	46.25	-	\$ 11,711,057	-5.90%
BUF 101	Departmental Administration and Budget Divisor	U	0.75	-	\$ 5,897,221	0.75	-	\$ 47,165	-99.20%	0.75	-	\$ 47,856	-99.19%
BUF 102	Collective Bargaining Statewide	A	-	-	\$ 36,045,294	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	B	-	-	\$ 2,854,560	-	-	\$ 93,444	-96.73%	-	-	\$ 93,444	-96.73%
BUF 102	Collective Bargaining Statewide	N	-	-	\$ 841,250	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	P	-	-	\$ 12,196	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	W	-	-	\$ 213,261	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 103	Vacation Payout Statewide	A	-	-	\$ -	-	-	\$ 4,493,450	100.00%	-	-	\$ 4,493,450	100.00%
BUF 115	Financial Administration Division	A	14.00	-	\$ 2,024,205	15.00	-	\$ 2,125,493	5.00%	15.00	-	\$ 2,125,493	5.00%
BUF 115	Financial Administration Division	T	9.00	-	\$ 11,674,867	9.00	-	\$ 11,684,692	0.08%	9.00	-	\$ 11,684,692	0.08%
BUF 115	Financial Administration Division	U	1.00	-	\$ 105,073	-	-	\$ 4,746	-95.48%	-	-	\$ 4,746	-95.48%
BUF 141	Employees' Retirement System	X	106.00	-	\$ 20,418,249	108.00	-	\$ 19,281,833	-5.57%	108.00	-	\$ 16,021,379	-21.53%
BUF 143	Hawaii Employer-Union Trust Fund	T	57.00	-	\$ 7,099,272	58.00	-	\$ 7,584,071	6.83%	59.00	-	\$ 7,675,900	8.12%
BUF 151	Office of the Public Defender	A	84.50	50.00	\$ 11,114,332	134.50	-	\$ 11,379,275	2.38%	134.50	-	\$ 11,379,275	2.38%
BUF 721	Debt Service Payments	A	-	-	\$ 348,779,569	-	-	\$ 340,483,259	-2.38%	-	-	\$ 378,462,091	8.51%
BUF 725	Debt Service Payments - DOE	A	-	-	\$ 300,769,119	-	-	\$ 293,614,818	-2.38%	-	-	\$ 326,365,760	8.51%
BUF 728	Debt Service Payments - UH	A	-	-	\$ 111,314,248	-	-	\$ 108,666,451	-2.38%	-	-	\$ 120,787,530	8.51%
BUF 741	Retirement Benefits Payments - State	A	-	-	\$ 337,213,979	-	-	\$ 336,872,949	-0.10%	-	-	\$ 343,624,928	1.90%
BUF 741	Retirement Benefits Payments - State	U	-	-	\$ 4,000,000	-	-	\$ 10,865,887	171.65%	-	-	\$ 10,865,887	171.65%
BUF 745	Retirement Benefits Payments - DOE	A	-	-	\$ 321,869,442	-	-	\$ 320,466,464	-0.44%	-	-	\$ 327,335,982	1.70%
BUF 748	Retirement Benefits Payments - UH	A	-	-	\$ 140,814,522	-	-	\$ 147,189,063	4.53%	-	-	\$ 150,132,844	6.62%
BUF 761	Health Premium Payments - State	A	-	-	\$ 578,135,719	-	-	\$ 635,558,083	9.93%	-	-	\$ 660,490,415	14.24%
BUF 765	Health Premium Payments - DOE	A	-	-	\$ 268,924,144	-	-	\$ 281,376,552	4.63%	-	-	\$ 303,989,698	13.04%
BUF 768	Health Premium Payments - UH	A	-	-	\$ 96,682,974	-	-	\$ 104,466,873	8.05%	-	-	\$ 112,337,655	16.19%



Department of Budget and Finance  
Budget Decisions

Table 4

Prog ID	Sub-Org	Description of Request	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decisions					
				FY18		FY19		FY18		FY19		FY18		FY19							
				Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$			
BUF 101	AA	Add 1.00 permanent Information Technology Specialist IV (pseudo# 980010) position and funds	A	1.00		28,116	1.00	-	51,432	1.00		28,116	1.00	-	51,432	1.00		28,116	1.00	-	51,432
BUF 101	AA	Increase in Fringe Benefits for Personal Services due to increase in rates	U			2,554	-	-	3,245			2,554	-	-	3,245			2,554	-	-	3,245
BUF 101	BA	Full year funding for 2.00 permanent Program Budget Analyst V positions	A			59,462	-	-	59,462			55,476	-	-	55,476			55,476	-	-	55,476
BUF 103	VP	Centralized Vacation Payout for All Departments	A			4,493,450	-	-	4,493,450			4,493,450	-	-	4,493,450			4,493,450	-	-	4,493,450
BUF 115	CA	Full year funding for 1.00 permanent Accountant III position	A			24,441	-	-	24,441			22,794	-	-	22,794			22,794	-	-	22,794
BUF 115	CA	Convert Accountant V from U Funds to A Funds	A							1.00		60,780	1.00		60,780	1.00		60,780	1.00		60,780
BUF 115	CA	Convert Accountant V from U Funds to A Funds	U							(1.00)		(105,073)	(1.00)		(105,073)	(1.00)		(105,073)	(1.00)		(105,073)
BUF 141	FA	Increase in Fringe Benefits	X			673,158	-	-	673,158			673,128	-	-	673,158			673,128	-	-	673,158
BUF 141	FA	Act 263, SLH Relating to Divorce (Hawaii Qualified Domestic Relations Order - HIDRO) - Program Specialist (pseudo# 980120)	X	1.00		2,082,171	1.00	-	235,552	-		1,962,500	-	-	0	1.00		2,018,171	1.00	-	107,552
BUF 141	FA	Upgrade Oracle Financials	X			1,538,900	-	-	339,900			1,538,900	-	-	339,900			1,538,900	-	-	339,900
BUF 141	FA	Increase in ERS other current expenses (audit costs, legal costs, postage, actuary)	X			299,000	-	-	316,000			299,000	-	-	316,000			299,000	-	-	316,000
BUF 141	FA	Replace of IT and other equipment and increase in IT maintenance costs.	X			771,900	-	-	793,100			322,400	-	-	410,600			771,900	-	-	793,100
BUF 141	FA	Establish 6.00 permanent Retirement Claims Examiner Positions (pseudo# 980050, 980060, 980070, 980080, 980090, and 980100) positions due to increase in ERS' membership and workload requirements	X	6.00		238,354	6.00	-	453,967	2.00		79,451	2.00	-	151,322	1.00		39,726	1.00	-	75,661
BUF 143	EU	Increase in Fringe Benefits	T			323,709	-	-	323,709			323,709	-	-	323,709			323,709	-	-	323,709
BUF 143	EU	Full year funding for 1.00 Benefits Compliance Audit Specialist	T			47,462	-	-	47,462			44,369	-	-	44,369			44,369	-	-	44,369
BUF 143	EU	Add 1.00 permanent position to EUTF - Business Analyst (pseudo# 980260)	T	1.00		48,314	1.00	-	91,829	1.00		48,314	1.00	-	91,829	1.00		48,314	1.00	-	91,829
BUF 143	EU	Add 1.00 permanent position to EUTF - Investment Specialist (pseudo# 980230)	T				1.00	-	94,229	-			1.00	-	48,314	-			1.00	-	48,314
BUF 151	HA	Full year funding for 1.00 permanent Clerical Supervisor position	A			20,758	-	-	20,758			20,126	-	-	20,126			20,126	-	-	20,126
BUF 151	HA	Convert 50 temporary positions to permanent positions	A	50.00	(50.00)		50.00	(50.00)	0	50.00	(50.00)		50.00	(50.00)	0	50.00	(50.00)		50.00	(50.00)	0
BUF 721	ST	Debt service funding for the State (except DOE and UH)	A			(626,063)	-	-	40,632,323			(8,296,310)	-	-	29,682,522			(8,296,310)	-	-	29,682,522
BUF 725	LE	Debt service funding for the Department of Education (DOE)	A			(539,884)	-	-	35,039,173			(7,154,301)	-	-	25,596,641			(7,154,301)	-	-	25,596,641
BUF 728	HE	Debt service funding for the University of Hawaii (UH)	A			(199,811)	-	-	12,967,950			(2,647,797)	-	-	9,473,282			(2,647,797)	-	-	9,473,282
BUF 741	ST	Retirement benefits payments for the State (Except DOE and UH) and anti-spiking	A			6,524,857	-	-	13,276,836			6,524,857	-	-	13,276,836			6,524,857	-	-	13,276,836
BUF 741	ST	To reflect the general fund fringe benefit costs budgeted in HHL.	A									(6,865,887)	-	-	(6,865,887)			(6,865,887)	-	-	(6,865,887)
BUF 741	ST	Fringe Benefit Costs, HHL positions	U									6,865,887	-	-	6,865,887			6,865,887	-	-	6,865,887
BUF 745	LE	Retirement benefits payments for the Department of Education (DOE)	A			(1,402,978)	-	-	5,466,540			(1,402,978)	-	-	5,466,540			(1,402,978)	-	-	5,466,540
BUF 748	HE	Retirement benefits payments for the University of Hawaii	A			6,374,541	-	-	9,318,322			6,374,541	-	-	9,318,322			6,374,541	-	-	9,318,322
BUF 761	ST	Health premium payments for the State (except DOE and UH)	A			58,615,831	-	-	82,248,233			57,422,364	-	-	82,354,696			57,422,364	-	-	82,354,696
BUF 765	LE	Health premium payments for the Department of Education (DOE)	A			13,735,208	-	-	34,951,122			12,452,408	-	-	35,065,554			12,452,408	-	-	35,065,554
BUF 768	HE	Health premium payments for the University of Hawaii (UH)	A			8,220,529	-	-	15,615,731			7,783,899	-	-	15,654,681			7,783,899	-	-	15,654,681
BUF 141	FA	Computer Security Improvements to protect Personally Identifiable Information (PI)	X			238,200	-	-	13,200			238,200	-	-	13,200			238,200	-	-	13,200

Department of Budget and Finance  
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	FY18			FY19			FY17
					Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BUF 115	CA	Convert Accountant V from U Funds to A Funds	As the majority of the salary costs assessed to the various agencies are related to the investment of their special fund balance in the State's Treasury Investment Pool, and these special funds are already being assessed the 5% central services fee pursuant to Section 36-27, HRS, it would be more appropriate to have this position funded by general funds rather than interdepartmental transfer.	U	(1.00)		(105,073)	(1.00)		(105,073)	N
BUF 151	HA	Convert 50 temporary positions to permanent positions	Increased efficiency in meeting organizational objectives by aligning classification of employees to accurately reflect the vital nature and permanency of their functions, as opposed to being classified as "temporary."	A		(50.00)			(50.00)		N
BUF 721	ST	Debt service funding for the State (except Department of Education and University of Hawaii)	Adjusts funding amount for debt service for the State (except Department of Education and University of Hawaii), based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(8,296,310)				N
BUF 725	LE	Debt service funding for the Department of Education	Adjusts funding amount for debt service for the Department of Education, based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(7,154,301)				N
BUF 728	HE	Debt service funding for the University of Hawaii	Adjusts funding amount for debt service for the University of Hawaii, based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(2,647,797)				N
BUF 741	ST	To reflect the general fund fringe benefit costs budgeted in Department of Hawaiian Homelands	Allows for transfer of funds for Department of Hawaiian Homelands (DHHL) fringe benefits while addressing duplication of the funds appropriated during FY17, during which time \$5,854,667 in general funds will be transferred to Department of Budget and Finance to cover fringe benefits payments; however, a comparable reduction was not made to any fixed cost program. This led to a duplication of funding for DHHL's fringe benefits.	A			(6,865,887)			(6,865,887)	N
BUF 745	LE	Retirement benefits payments for the Department of Education	Adjusts funding amount for retirement benefits payments for the Department of Education and anti-spiking based on projections from August 1, 2016.	A			(1,402,978)				N

Department of Budget and Finance  
Proposed Budget Additions

Table 6

Prog ID	Sub-Org	Addition Type	Prog ID Priority	Dept-Wide Priority	Description of Addition	Justification	MOF	Pos (P)	Pos (T)	FY18		FY19	
										\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 101	AA	NG	1	1	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	U			2,554	-	-	3,245
BUF 101	AA	AR	3	9	Add 1.00 permanent Information Technology Specialist IV (pseudo# 98001O) position and funds	To enable the department to effectively adopt, support, integrate, and deploy key IT improvements and initiatives department-wide as identified in our B&F Departmental IT Strategic Roadmap to improve both the productivity and capability of our core B&F programs and attached agencies, and; improve upon the current IT infrastructure; setup a disaster recovery strategy; create automated financial reporting and planning systems, and at the same time support the first-line technical staff to solve the more challenging computer related issues. The additional IT position will also ensure a staffing level that can better support and maintain the key LAN, network, servers, and email services that are essential to support the core B&F business operations.	A	1.00		28,116	1.00	-	51,432
BUF 101	BA	NR	2	5	Full year funding for 2.00 permanent Program Budget Analyst V positions	Act 124, SLH 2016 approved funds to establish 2.00 Program Budget Analyst V (SR-24C) positions in the second half of FY 2017. The budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with the HGEA Unit 13 Contract (July 1, 2013 - June 30, 2017).	A			55,476	-	-	55,476
BUF 103	VP	AR			Centralized Vacation Payout for All Departments	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX which totaled \$5,991,267 in FY 17.	A			4,493,450			4,493,450

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 115	CA	NR	1	6	Full year funding for 1.00 permanent Accountant III position	Act 124, SLH 2016 approved funds to establish this program's Accountant III (SR20C) position in the second half of FY 2017. These budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. The amounts requested for FY 2018 and FY 2019 reflect the additional amounts necessary to fund the annual salary for this position based on the HGEA Unit 13 Contract for July 1, 2013 - June 30, 2017.	A			22,794	-	-	22,794
BUF 115	CA	NR	2	15.5	Convert Accountant V from U Funds to A Funds	This position performs investment functions for the State's Treasury Investment Pool (TIP) in which various State agencies and departments participate via the investment of their special fund accounts. As the majority of the salary costs assessed to the various agencies are related to their investment of their special fund balance in the TIP, and these special funds are already being assessed the 5% central services fee pursuant to Section 36-27, HRS, it would be more appropriate to have this position funded by general funds.	A	1.00		60,780	1.00		60,780
BUF 141	FA	NG	1	3	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	X			673,128	-	-	673,128
BUF 141	FA	FC	2	12	Computer Security Improvements to protect Personally Identifiable Information (PII)	The current Pension Administration system relies on members' SSN to uniquely identify members. Given that a member's SSN is confidential and should be shared sparingly, this causes a significant amount of effort to work around this requirement. It is absolutely critical that ERS protect its members' PII. Failure to make this change may result in a breach of member PII which could result in penalties, fines and significant additional costs.	X			238,200	-	-	13,200
BUF 141	FA	NG	3	13	Act 263, SLH Relating to Divorce (Hawaii Qualified Domestic Relations Order - HiDRO) - Program Specialist (pseudo# 980120)	Act 263/SLH 2016, effective July 1, 2018, mandated a new benefits program to be administered by the ERS. Act 263 requires the ERS to pay retirement benefits to alternate payees under qualified Hawaii Domestic Relations Orders. The Program Specialist V position is necessary to successfully develop, implement and maintain this new benefit program.	X	1.00		2,018,171	1.00	-	107,552

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID</u>	<u>Dept- Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 141	FA	NG	4	15	Upgrade Oracle Financials	The current Oracle E-Business Suite version 11i resides on obsolete equipment and does not operate properly on current versions of Windows and Internet Explorer 11 installed on ERS' workstations. The requested software, hardware and computer consultant purchases for the accounting system upgrade request are integral requirements for the ERS computer system and disaster recovery capabilities to ensure continued operations and to improve the security of programs, data and PII.	X			1,538,900	-	-	339,900
BUF 141	FA	NG	5	18	Increase in ERS other current expenses (audit costs, legal costs, postage, actuary)	This request is for the net increase of pay for the 3.00 Deputy Attorney Generals assigned to ERS plus the comprehensive Fringe Benefit Assessment rate increase from 52.00% to 60.00%. Additionally, the ERS reimburses the AG for additional Deputy AGs, for disability and contested cases that require specialized knowledge of medical and labor laws; and pays for Special Deputy AGs with specialized legal knowledge and experience (such as pension plans, taxes, etc.) or situations where there may be a conflict of interest with the AG's office.	X			299,000	-	-	316,000
BUF 141	FA	NG	6	19	Replace IT and other equipment and increase in IT maintenance costs.	Increase in Repairs and Maintenance is based on contracted rates for ERS' pension administration and accounting systems, maintenance on recently purchased software, and actual annual price increases on installed software. Equipment costs are to replace equipment no longer supported, or at end-of-life; to protect confidential investment and members' Personally Identifiable Information (PII); and to address internal audit findings.	X			771,900	-	-	793,100

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 141	FA	NG	7	23	Establish 1.00 permanent Retirement Claims Examiner position (pseudo# 980050) due to increase in ERS' membership and workload requirements	It is our fiduciary responsibility to ensure the ERS strives to become a more efficient and effective organization so that it can provide the best possible services to its members and be a sustainable retirement system for current and future retirees. Having an additional Retirement Claims Examiner will enable ERS to finalize more pensions in a timely manner resulting in a decrease in the interest paid-out. Placing this RCE in the Call Center would allow staff to reduce backlogs to a manageable level as well as provide a wider range of services which include counseling members, calculating pension estimate requests, processing refunds, death/disability payments, and providing timely customer service. Therefore, this additional permanent RCE position is critical for the ERS in order to meet its increased workload demands and service standards for its growing membership base.	X	1.00		39,726	1.00	-	75,661
BUF 143	EU	NG	1	4	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	T			323,709	-	-	323,709
BUF 143	EU	NG	2	8	Full year funding for 1.00 Benefits Compliance Audit Specialist	Act 124, SLH 2016 approved funds to establish this program's Benefits Compliance Audit Specialist (SR-NA) position in the second half of FY 2017. The budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with HGEA Unit 13 Contract (July 1, 2013 - June 30, 2017).	T			44,369	-	-	44,369

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 143	EU	NG	3	11	Add 1.00 permanent position to EUTF - Business Analyst (pseudo# 980260)	There are many areas for the Business Analyst to work on to improve the efficiency and effectiveness of the EUTF processes. However, the more significant reason for the Business Analyst position is to assist in reviewing and analyzing the current enrollment and accounting processes to identify areas for improvement. The Business Analyst will develop an understanding of the BAS and work with the Member Services Branch and Financial Services Branch to understand their processes to identify enhancement opportunities to the BAS that would improve enrollment and accounting processes.	T	1.00		48,314	1.00	-	91,829
BUF 143	EU	NG	4	14	Add 1.00 permanent position to EUTF - Investment Specialist (pseudo# 980230)	With the mounting investment complexities, the EUTF Investment Office will need resources beyond the one existing EUTF Investment Officer. The EUTF's investment consultant has determined through a study that the industry standard is one full-time investment professional per \$1 billion of investible assets. The EUTF Investment Specialist will report to the EUTF Investment Officer and assist the EUTF Investment Officer with the day-to-day operations of the OPEB Trust. The addition of a EUTF Investment Specialist is another step in the development of the EUTF's investment infrastructure to address challenges ahead and to maximize returns within prudent levels of risk.	T	-		-	1.00	-	48,314
BUF 151	HA	AR	1	7	Full year funding for 1.00 permanent Clerical Supervisor position	Act 124, SLH 2016 approved funds to establish this program's Clerical Supervisor (SR-NA) position in the second half of FY 2017. These budgeted amounts of 1/2 of full salary, 1/2 of annual telephone charges, and 1/2 of supplies were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with HGEA Unit 03 Tentative Agreement dated April 26, 2015.	A			20,126	-	-	20,126

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 151	HA	NR	2	27	Convert 50 temporary positions to permanent positions	It has been challenging to recruit and retain most-qualified candidates for temporary positions. Additionally, we spend considerable time and effort training temporary employees only to have them leave once they secure permanent positions elsewhere. Furthermore, most of these positions were established over 30 years ago and as far back as 1980. Despite originally being classified as temporary, requested funding for these essential positions continues to be provided due to the increased number of cases received by this office and our constitutional requirement to provide effective legal counsel. However, to maintain efficiency in meeting our organizational objectives, it would be conducive to align this office's classification of employees to accurately reflect the vital nature and permanency of their functions.	A	50.00			50.00		
BUF 721	ST	FC	1	1	Debt service funding for the State (except Department of Education and University of Hawaii)	To provide funding for debt service for the State (except Department of Education and University of Hawaii).	A						29,682,522
BUF 725	LE	FC	1	1	Debt service funding for the Department of Education	To provide funding for debt service for the Department of Education.	A						25,596,641
BUF 728	HE	FC	1	1	Debt service funding for the University of Hawaii	To provide funding for debt service for the University of Hawaii.	A						9,473,282
BUF 741	ST	FC	1	1	Retirement benefits payments for the State (Except DOE and UH) and anti-spiking	To adjust funding for retirement benefits payments and anti-spiking based on projections from August 1, 2016. Assumptions are as follows: 1) annual growth of 2% in employees; 2) adjustment for retroactive anti-spiking payments and true-up at the end of FY 16 is estimate prepared by ERS; 3) pension accumulation (PA) rates per Act 163, SLH 2011; 4) data source doesn't include Charter Schools paid through Ceridian, UH increased by 0.39% and other increased by 1.89% to match FY 16 PA actual; 5) inflated calculated FY 16 Social Security/Medicare (SS/M) for DOE by 3.68% and UH by 0.96% and reduced other by 0.25% to approximately match actual; 7) anti-spiking based on preliminary actual FY 15 (payable in FY 16).	A				6,524,857		13,276,836



Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 741	ST	FC	1	1	Fringe Benefit Costs, HHL positions	To allow for the transfer of funds designated for DHHL's fringe benefits from MOF "A" to MOF "U", and to address duplication of the funds appropriated. In FY 17, DHHL was appropriated \$5,854,667 in general funds to be transferred to DBF to cover fringe benefits payments; however, a comparable reduction wasn't made to any fixed cost program which led to a duplication of funding for DHHL's fringe benefits. FY 17 MOF A budgeted salaries (\$11,258,975) + MOF A CB adjustments for FB 17-19 (\$184,170) * FB 17-19 estimated fringe rate (0.6) = \$6,865,887.	U			6,865,887			6,865,887
BUF 745	LE	FC	1	1	Retirement benefits payments for the Department of Education	To adjust funding for retirement benefits payments based on projections from August 1, 2016.	A						5,466,540
BUF 748	HE	FC	1	1	Retirement benefits payments for the University of Hawaii	To adjust funding for retirement benefits payments and anti-spiking based on projections from August 1, 2016. Assumptions are as follows: 1) annual growth of 2% in employees; 2) adjustment for retroactive anti-spiking payments and true-up at the end of FY 16 is estimate prepared by ERS; 3) pension accumulation (PA) rates per Act 163, SLH 2011; 4) data source doesn't include Charter Schools paid through Ceridian, UH increased by 0.39% and other increased by 1.89% to match FY 16 PA actual; 5) inflated calculated FY 16 Social Security/Medicare (SS/M) for DOE by 3.68% and UH by 0.96% and reduced other by 0.25% to approximately match actual.	A			6,374,541			9,318,322
BUF 761	ST	FC	1	1	Health premium payments for the State (except Department of Education and University of Hawaii)	To provide funding for health premium payments for the State (except the DOE and UH). Based on projections updated September 6, 2016. Assumptions: 1) OPEB pre-funding calculated using EUTF's State of Hawaii Retiree Health Care Plan, Section C, Page 16, Scenario 2, Annual Required Contribution (g) less Benefit Payment Total (j).	A			57,422,364			82,354,696
BUF 765	LE	FC	1	1	Health premium payments for the Department of Education	To provide funding for health premium payments for the Department of Education. Based on projections updated September 6, 2016.	A			12,452,408			35,065,554

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 768	HE	FC	1	1	Health premium payments for the University of Hawaii	To provide funding for health premium payments for the University of Hawaii. Based on projections updated September 6, 2016.	A			7,783,899			15,654,681

Department of Budget and Finance  
FY17 Restrictions

Table 7

<u>Prog ID</u>	<u>Sub-Org</u>	<u>MOF</u>	<u>Budgeted by Dept</u>	<u>Restriction</u>	<u>Difference Between Budgeted &amp; Restricted</u>	<u>Percent Difference</u>	<u>Impact</u>
BUF 101	AA	A	\$ 9,625,265	\$ 35,308	\$ 9,589,957	99.63%	The program will need to closely monitor its expenditures for other current expenses.
BUF 101	BA	A	\$ 2,819,717	\$ 39,410	\$ 2,780,307	98.60%	Vacancy savings from positions soon to be filled will most likely cover the restriction this fiscal year, but the program will also closely monitor its other current expenses.
BUF 115	CA	A	\$ 2,024,205	\$ 28,292	\$ 1,995,913	98.60%	BUF 115 Bond Counsel – Services are used to respond to inquiries by the Legislature and are also utilized by the Department of the Attorney General. The department is billed on an hourly basis which results in fluctuations based on the number and complexity of assignments made to the General Advice Counsel. Efforts are made to control expenditures, however, flexibility in the budgeting of funds for this purpose is essential to provide the State with sufficient legal advice with respect to the use of tax-exempt General Obligation and Revenue Bonds, Certificates of Participation, Municipal Lease Financing Agreements, and any other financing scenarios where tax exempt financing is contemplated or utilized.

Department of Budget and Finance  
Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>Explanation of Request</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
NONE						

Department of Budget and Finance  
Expenditures Exceeding Appropriation Ceilings in FY16 and FY17

Table 9

<u>Prog ID</u>	<u>MOF</u>	<u>Date</u>	<u>Appropriation</u>	<u>Amount Exceeding Appropriation</u>	<u>Percent Exceeded</u>	<u>Reason for Exceeding Ceiling</u>	<u>Legal Authority</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>
BUF 115	T	12/3/2015	\$ 6,500,000	\$ 5,000,000	76.9%	Program paid out approximately \$4 million in claims during the first five months of FY16. The remaining \$2.5 million was insufficient to cover claims for the balance of the fiscal year. The increase was requested in order to enable the Unclaimed Property Program to continue payment of claims to owners of abandoned property.	Governor's approval dated 12/3/15		N
BUF 115	T	12/1/2016	\$ 11,000,000	\$ 4,000,000	36.4%	Program already paid out over \$9 million in claims during the first five months of FY17. The remaining \$2 million will be insufficient to cover current and anticipated claims for the balance of the fiscal year. The increase in expenditure ceiling will enable the Unclaimed Property Program to continue payment of claims to owners of abandoned property.	Governor's approval dated 12/1/16		N

Department of Budget and Finance  
 Intradepartmental Transfers in FY16 and FY17

Table 10

<u>Actual or Anticipated Date of Transfer</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>From Prog ID</u>	<u>Percent of Program ID Appropriation Transferred From</u>	<u>To Prog ID</u>	<u>Percent of Receiving Program ID Appropriation</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
<b>No intradepartmental transfers to report</b>										

Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Emergency and Budget Reserve Fund (S-xx-355-O)	Temporary supplemental source of funding for the State during times of emergency, economic downturn, or unforeseen reduction in revenues.	Chapter 328L(3), HRS	B	\$ 100,881,986	\$ 209,781,757	\$ -	\$ -	\$ 310,663,743	\$ -
Overpayment Collections to OHA-Ceded Lands (T-xx-955-O)	To collect overpayments made to the Office of Hawaiian Affairs for ceded lands, and to make up shortage amounts due to OHA pursuant to Executive Order No. 06-06.	Executive Order No. 06-06	T	\$ 3,845,946	\$ -	\$ -	\$ -	\$ 3,845,946	\$ -
Interest Earned - Investment Pool (T-xx-907-O)	Holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.	Administratively established	T	\$ 4,375	\$ 23,264,973	\$ -	\$ (23,269,348)	\$ -	\$ -
Interest Earned - Bond Investment Pool (T-xx-908-O)	Holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.	Administratively established	T	\$ 25,433	\$ 634,819	\$ -	\$ (660,252)	\$ -	\$ -
Temporary Deposits - Special Purpose Revenue Bond - Security Deposit (T-xx-914-O)	To record non-refundable security deposits from project parties for the purpose of reimbursing the State for all the costs and expenses incurred relating to the issuance of special purpose revenue bonds.	Administratively established	T	\$ 5,000	\$ 2,000	\$ -	\$ (7,000)	\$ -	\$ -
Taxes Payable to Other State Agencies (T-xx-916-O)	To enable B&F to generate SWV's on-line for transmittal of tobacco tax collected by DoTax and distributed per statute to UH per Act 316/SLH2006. It serves as a clearing account for fuel tax revenues pending distribution.	Act 316/SLH2006	T	\$ -	\$ 53,181,705	\$ 53,181,705	\$ -	\$ -	\$ -
Taxes Payable to Counties/HTA - TAT (T-xx-917-O)	To enable B&F to generate SWV's on-line for transmittal of TAT distributed monthly to HTA and semi-annually to the counties. It serves as a clearing account for TAT revenues pending distribution per statute.	Administratively established	T	\$ -	\$ 213,000,000	\$ 213,000,000	\$ -	\$ -	\$ -

Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Taxes Payable to Counties - Fuel Tax (T-xx-918-O)	To enable B&F to generate SWV's on-line for transmittal of liquid fuel tax distributed monthly to the counties. It serves as a clearing account for fuel tax revenues pending distribution per statute.	Administratively established	T	\$ -	\$ 75,632,781	\$ 75,632,781	\$ -	\$ -	\$ -
Taxes Payable to Counties - GETax surcharge (T-xx-919-O)	To enable B&F to generate SWV's on-line for transmittal of county GET surcharge collected by DoTax and distributed per statute HRS 248-2.6 to the City & County of Honolulu. It serves as a clearing account for the surcharge pending distribution.	HRS 248-2.6	T	\$ -	\$ 273,506,676	\$ 273,506,676	\$ -	\$ -	\$ -
Hawaii Children's Trust Fund (T-xx-922-O)	To enable B&F to generate SWV's on-line for transmittal of taxes collected by DoTax and distributed per statute Act 228/SLH2004 to the Hawaii Children's Trust Fund at the Hawaii Community Foundation.	Act 228/SLH2004	T	\$ -	\$ 100,753	\$ 100,753	\$ -	\$ -	\$ -
Unclaimed Property Trust Fund (T-xx-932-O)	To deposit and disburse moneys in Unclaimed Property Program. All funds in excess of \$1.3 million remaining on balance at the end of the fiscal year will be transferred to the general fund.	Administratively established	T	\$ 38,698,147	\$ 20,000,000	\$ 8,000,000	\$ (50,698,147)	\$ -	\$ -
College Savings Program Trust Fund (Held outside of State treasury)	The College Savings Program Trust Fund was established in 2002 with the commencement of Hawaii's 529 program. Funds are maintained in the Trust Fund on behalf of participants or account owners, and are invested as directed by the participants according to program rules.	Chapter 256,HRS	T	\$ 72,043,320	\$ -	\$ -	\$ 5,000,000	\$ 77,043,320	\$ -
Expense Fund (S-xx-315-O)	The fund which all money shall be credited to pay for the administrative and operational expenses of the ERS.	Section 88-116,HRS	X	\$ -	\$ 20,168,249	\$ 20,168,249	\$ -	\$ -	\$ -



Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-942-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Allowable expenses are: Premium payments to insurance carriers, Medicare Part B reimbursements to retirees and their spouses and employee refunds.	Chapter 87A, HRS	T	\$ 175,133,805	\$ 1,066,000,000	\$ 1,052,000,000		\$ 189,133,805	\$ -
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-997-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Allowable expenses are: Administrative Operating Expenses such as personal services, contracted services, lease rent, insurance and other miscellaneous expenses.	Chapter 87A, HRS	T	\$ 334,725	\$ 7,099,000	\$ 7,099,000		\$ 334,725	\$ -
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-998-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Custodial fees and investment consulting service fees are paid from this fund.	Chapter 87A, HRS	T	\$ 1,278,791,349	\$ 522,178,494	\$ 76,831,403	\$ 7,200,000	\$ 1,731,338,440	\$ -

Department of Budget and Finance  
 Vacancy Report as of November 30, 2016

Table 12

Proj ID	Sub-Org	Date of Vacancy	Expected Fill Date	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	Perm Temp		Budgeted Amount	Actual Salary Last Paid	Authority		Occupied		Describe if Filled by other Means	Priority # to Retain	*Remark: Date Position filled
									FTE	MOF			to Hire (Y/N)	by 89 Day Hire (Y/N)	# of 89 Hire Appts				
BUF101AA		10/1/2016	12/19/2016	00120917	Accountant III	N	SR20	13	P	1.00	A	\$ 48,000	\$ 16,352	Y	Y	1		See *Remark	12/19/16
BUF101AA		11/19/2016	12/16/2016	00100150	Deputy Director	Y	SRNA	00	P	1.00	A	\$ 130,564	\$ 73,584	Y	N			See *Remark	12/16/16
BUF101AA		11/22/2016	12/7/2016	00100056	Private Secretary	Y	SR22	63	P	1.00	A	\$ 60,780	\$ 23,688	Y	N			See *Remark	12/07/16
BUF101BA		6/17/2016	1/3/2017	00022006	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 58,440	\$ 55,039	Y	N			See *Remark	01/03/17
BUF101BA		4/22/2016	Recruitment in progress	00030726	Office Assistant IV	N	SR10	63	P	1.00	A	\$ 39,492	\$ 29,087	Y	N				
BUF101BA		10/25/2016	1/3/2017	00044263	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 83,184	\$ 30,659	Y	N			See *Remark	01/03/17
BUF101BA		11/21/2016	Pending Cert. List from DHRD	970010 <sup>1</sup>	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 27,618	\$ -	Y	N				
BUF101BA		11/21/2016	Pending Cert. List from DHRD	970020 <sup>1</sup>	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 27,618	\$ -	Y	N				
BUF115CA		3/23/2016	Pending PD update	00049341	Public Debt Analyst	N	SR22	73	P	1.00	A	\$ 71,100	\$ 55,319	Y	N				
BUF115CA		To be established		970080	Accountant III	N	SR20	13	P	1.00	A	\$ 22,674	\$ -	Y	N				
BUF141FA		8/1/2016	Pending PD update	00006494	Account Clerk V	N	SR15	03	P	1.00	X	\$ 58,440	\$ 4,681	Y	N				
BUF141FA		12/31/2015	Re-describe to Secretary IV	00031082 <sup>2</sup>	Office Assistant IV	N	SR10	03	P	1.00	X	\$ 41,064	\$ 42,684	Y	N				
BUF141FA		4/1/2016	Recruitment in progress	00036371	Retirement Claims Examiner IV	N	SR22	13	P	1.00	X	\$ 68,364	\$ 44,792	Y	N				
BUF141FA		9/2/2016	Pending PD update	00039682	Accountant III	N	SR20	13	P	1.00	X	\$ 63,198	\$ 10,768	Y	N				
BUF143EU		5/20/2016	Recruitment in progress	00031592	Enrollment Technician	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 25,263	Y	N				
BUF143EU		7/26/2016	Recruitment in progress	00116737	EUTF Customer Svc Rep	Y	SRNA	03	P	1.00	T	\$ 26,700	\$ 2,406	Y	N				
BUF143EU		8/1/2016	Recruitment in progress	00117592	EUTF Customer Svc Rep	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 2,406	Y	N				
BUF143EU		8/13/2016	Recruitment in progress	00117599	EUTF Systems Supervisor	Y	SRNA	03	P	1.00	T	\$ 58,166	\$ 7,764	Y	N				
BUF143EU		11/10/2016	Recruitment in progress	00119002	EUTF Systems Specialist	Y	SRNA	13	P	1.00	T	\$ 51,667	\$ 22,484	Y	N				
BUF143EU		3/29/2016	Recruitment in progress	00119018	EUTF Accountant	Y	SRNA	13	P	1.00	T	\$ 53,744	\$ 34,011	Y	N				
BUF143EU		1/4/2016	Recruitment in progress	00120121	Enrollment Technician	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 14,994	Y	N			See *Remark	01/03/17
BUF143EU		11/1/2016	Recruitment in progress	00120193	EUTF Member Svcs Specialist	Y	SRNA	13	P	1.00	T	\$ 40,836	\$ 15,196	Y	N			See *Remark	12/15/16
BUF151HA		6/25/2016	Recruitment in progress	00100586	Public Defender Clerk	Y	SRNA	03	P	0.50	A	\$ 26,700	\$ 26,144	Y	N				
BUF151HA		8/16/2016	Recruitment in progress	00100601	Public Defender Investigator	Y	SR24	13	P	1.00	A	\$ 76,908	\$ 9,449	Y	N				
BUF151HA		11/1/2016	Recruitment in progress	00102001	Deputy Public Defender IV	Y	SRNA	73	T	1.00	A	\$ 108,561	\$ 34,364	Y	N				
BUF151HA		8/6/2016	12/20/2016	00121523	Deputy Public Defender III	Y	SRNA	73	P	1.00	A	\$ 40,710	\$ 8,778	Y	N			See *Remark	12/20/16
BUF151HA		9/20/2016	Recruitment in progress	970050 <sup>3</sup>	Clerical Supervisor	Y	SRNA	04	P	1.00	A	\$ 19,746	\$ -	Y	N				

Note: B&F added Remark column to show the position that are filled after November 30, 2016

Department of Budget and Finance  
Positions Filled from July 1, 2015 to November 30, 2016

Table 13

Prog ID	Sub-Org	Effective Date	Position Filled	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	T/P	MOF	Budgeted FTE	Budgeted Salary	Actual FTE	Actual Salary	Occupied by 89 Day Hire (Y/N)
BUF101AA		7/31/2015	00100037		Private Secretary III	Y	SR24	63	P	A	1.00	\$ 68,412.00	1.00	65,736	N
BUF101AA		2/10/2016	00049343		Information Technol Spclt V	N	SR24	73	P	A	1.00	\$ 68,364.00	1.00	55,236	N
BUF101AA		7/18/2016	00027162		Information Technol Spclt IV	N	SR22	13	P	A	1.00	\$ 58,440.00	1.00	49,056	N
BUF101AA		8/16/2016	00000097		Management Analyst II	N	SR18	73	P	A	1.00	\$ 49,914.00	1.00	41,964	N
BUF101BA		7/1/2015	00012976		Prgm & Budget Analysis Mgr II	N	EM07	35	P	A	1.00	\$ 91,422.00	1.00	94,908	N
BUF101BA		4/22/2016	00000093		Secretary IV	N	SR18	63	P	A	1.00	\$ 60,780.00	1.00	46,188	N
BUF101BA		6/1/2016	00011302		Program Budget Analyst V	N	SR24	73	P	A	1.00	\$ 65,736.00	1.00	81,756	N
BUF115CA		10/1/2015	00120196		Professional Trainee II	N	SR16	13	P	A	1.00	\$ 46,140.00	1.00	41,964	N
BUF115CA		10/16/2015	00000127		Treasury Cashier	N	SR19	03	P	A	1.00	\$ 56,172.00	1.00	48,024	N
BUF115CA		1/19/2016	00019540		Account Clerk V	N	SR15	03	P	A	1.00	\$ 39,492.00	1.00	42,684	N
BUF115CA		3/16/2016	00007016		Account Clerk IV	N	SR13	03	P	A	1.00	\$ 37,980.00	1.00	46,188	N
BUF115CA		3/23/2016	00121828		Public Debt Compliance Spec	N	SR24	73	P	A	1.00	\$ 65,000.00	1.00	78,624	N
BUF115CA		6/6/2016	00045251		Account Clerk III	N	SR11	03	P	T	1.00	\$ 41,064.00	1.00	32,460	N
BUF115CA		7/18/2016	00027104		Accountant IV	N	SR22	73	P	A	1.00	\$ 59,331.00	1.00	49,056	N
BUF115CA		7/25/2016	00000130		Account Clerk IV	N	SR13	03	P	A	1.00	\$ 37,980.00	1.00	32,460	N
BUF115CA		11/18/2016	00120127		Office Assistant III	N	SR08	03	P	T	1.00	\$ 27,768.00	1.00	26,700	N
BUF141FA		11/2/2015	00107820		Retirement Sys Exec Director	Y	SRNA	93	P	X	1.00	\$ 196,194.00	1.00	225,000	N
BUF141FA		12/1/2015	00121778		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/1/2015	00121779		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/1/2015	00121780		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/7/2015	00116681		Office Assistant III	N	SR08	03	P	X	1.00	\$ 26,700.00	1.00	28,872	N
BUF141FA		1/12/2016	00116869		Retirement Claims Examiner III	N	SR20	13	P	X	1.00	\$ 67,504.00	1.00	49,056	N
BUF141FA		4/1/2016	00017859		Information Technology Band B	N	SR24	13	P	X	1.00	\$ 79,998.00	1.00	75,588	N
BUF141FA		5/16/2016	00118201		Information Technology Band A	N	SR20	13	P	X	1.00	\$ 54,030.00	1.00	45,348	N
BUF141FA		6/27/2016	00003278		Staff Services Asst I	N	SR14	03	P	X	1.00	\$ 48,407.00	1.00	42,684	N
BUF141FA		7/1/2016	00117312		Office Assistant III	N	SR08	03	P	X	1.00	\$ 26,700.00	1.00	27,768	N
BUF141FA		7/5/2016	00035483		Office Assistant III	N	SR08	03	P	X	1.00	\$ 36,468.00	1.00	26,700	N
BUF141FA		8/16/2016	00116675		Information Technology Band A	N	SR18	13	P	X	1.00	\$ 68,472.00	1.00	41,964	N
BUF141FA		8/22/2016	00004439		Office Assistant III	N	SR08	03	P	X	1.00	\$ 35,112.00	1.00	26,700	N
BUF141FA		9/1/2016	00113174		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 68,364.00	1.00	38,772	N
BUF141FA		9/1/2016	00113175		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 40,964.00	1.00	38,772	N
BUF141FA		9/1/2016	00113316		Retirement Claims Examiner I	N	SR16	13	P	X	1.00	\$ 41,028.00	1.00	38,772	N
BUF141FA		9/2/2016	00120772		Accountant IV	N	SR22	13	P	X	1.00	\$ 49,914.00	1.00	69,876	N
BUF143EU		11/23/2015	00120120		Enrollment Technician	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		12/31/2015	00112874		Health Ben Trust Fund Admr	Y	SRNA	93	P	T	1.00	\$ 130,798.00	1.00	130,008	N
BUF143EU		1/25/2016	00014960		Account Clerk III	N	SR11	03	P	T	1.00	\$ 29,988.00	1.00	29,988	N
BUF143EU		3/10/2016	00113038		Health Benefits TF Asst Admr	Y	SRNA	93	P	T	1.00	\$ 117,717.00	1.00	117,000	N
BUF143EU		4/26/2016	00120119		Enrollment Technician	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		6/24/2016	00121402		EUTF Outreach & Training Supvr	Y	SRNA	13	P	T	1.00	\$ 48,748.00	1.00	55,236	N
BUF143EU		7/5/2016	00116356		EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		7/6/2016	00120537		EUTF Accountant	Y	SRNA	13	P	T	1.00	\$ 47,755.00	1.00	45,348	N

Department of Budget and Finance  
Positions Filled from July 1, 2015 to November 30, 2016

Table 13

Prog ID	Sub-Org	Effective Date	Position	Position Title	Exempt (Y/N)	SR Level	BU Code	T/P	MOF	Budgeted	Budgeted	Actual	Actual Salary	Occupied
		Position Filled	Number							FTE	Salary	FTE		by 89 Day Hire (Y/N)
BUF143EU		7/20/2016	00116357	EUTF Member Services Clerk	Y	SRNA	03	P	T	1.00	\$ 26,700.00	1.00	26,700	N
BUF143EU		7/26/2016	00120340	Outreach & Training Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	49,056	N
BUF143EU		8/2/2016	00117591	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 27,756.00	1.00	28,872	N
BUF143EU		8/8/2016	00118999	Enrollment Technician	Y	SRNA	03	P	T	1.00	\$ 27,756.00	1.00	28,872	N
BUF143EU		8/8/2016	00121858	EUTF Investment Officer	Y	SRNA	13	P	T	1.00	\$ 100,000.00	1.00	102,000	N
BUF143EU		8/22/2016	00113043	EUTF Financial Mgt Officer	Y	SRNA	93	P	T	1.00	\$ 91,248.00	1.00	94,320	N
BUF143EU		9/1/2016	00119003	EUTF Applications Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	41,964	N
BUF143EU		9/1/2016	00120769	EUTF Procurement Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	55,236	N
BUF143EU		10/24/2016	00116355	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		10/24/2016	00121541	EUTF Member Services Clerk	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	26,700	N
BUF143EU		11/1/2016	00121420	EUTF Accountant	Y	SRNA	13	P	T	1.00	\$ 47,755.00	1.00	45,348	N
BUF143EU		11/1/2016	00122074	EUTF Benefits Audit Specialist	Y	SRNA	13	P	T	1.00	\$ 27,618.00	1.00	55,236	N
BUF143EU		11/7/2016	00116735	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		11/10/2016	00120123	EUTF Applications Specialist	Y	SRNA	13	P	T	1.00	\$ 55,916.00	1.00	49,056	N
BUF151HA		8/24/2015	00107818	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		9/1/2015	00100947	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		9/1/2015	00107819	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		12/1/2015	00100551	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		12/1/2015	00101675	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		12/1/2015	00121845	Information Technology Band B	N	SR22	13	P	A	1.00	\$ 45,576.00	1.00	57,432	N
BUF151HA		1/4/2016	00100552	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		1/4/2016	00101996	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		1/19/2016	00102276	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		1/19/2016	00104367	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		3/1/2016	00101086	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		3/1/2016	00102441	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		3/1/2016	00121524	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 40,710.00	1.00	84,267	N
BUF151HA		4/4/2016	00101092	Public Defender Clerk	Y	SRNA	03	P	A	1.00	\$ 26,700.00	1.00	26,700	N
BUF151HA		4/4/2016	00101243	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		4/4/2016	00102443	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		4/11/2016	00102277	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		4/11/2016	00102278	Deputy Public Defender I	Y	SRNA	73	T	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		6/1/2016	00100545	Public Defender	Y	SRNA	00	P	A	1.00	\$ 129,456.00	1.00	129,456	N
BUF151HA		6/1/2016	00101700	Pub Def Ofc Asst I	Y	SRNA	03	P	A	1.00	\$ 26,700.00	1.00	26,700	N
BUF151HA		8/16/2016	00100600	Pub Def Supvrng Investigator	Y	SRNA	13	P	A	1.00	\$ 97,314.00	1.00	85,020	N
BUF151HA		8/16/2016	00101997	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		8/16/2016	00102018	Clerk III	Y	SRNA	03	P	A	0.50	\$ 64,693.00	0.50	13,350	N
BUF151HA		8/18/2016	00102110	Public Defender Investigator	Y	SRNA	13	P	A	1.00	\$ 58,166.00	1.00	55,236	N
BUF151HA		9/16/2016	00100548	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		9/16/2016	00100884	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		9/16/2016	00101835	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N

Department of Budget and Finance  
 Positions Filled from July 1, 2015 to November 30, 2016

Table 13

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Effective Date</u> <u>Position Filled</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
BUF151HA		10/19/2016	00102003	PD Legal Office Assistant	Y	SRNA	03	T	A	1.00	\$ 35,112.00	1.00	33,720	N
BUF151HA		10/21/2016	00100420	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		10/21/2016	00100547	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		10/21/2016	00101084	Deputy Public Defender IV	Y	SRNA	73	P	A	1.00	\$ 101,549.00	1.00	96,432	N
BUF151HA		10/21/2016	00102108	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		11/28/2016	00101089	Deputy Public Defender IV	Y	SRNA	73	P	A	1.00	\$ 101,549.00	1.00	96,432	N
BUF151HA		11/28/2016	00101993	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		11/28/2016	00113181	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N

Positions Established by Acts other than the State Budget as of November 30, 2016

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date Established</u>	<u>Legal Authority</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>FTE</u>	<u>Annual Salary</u>	<u>Filled (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
----------------	----------------	-------------------------	------------------------	------------------------	-----------------------	---------------------	-----------------	----------------	------------	------------	------------	----------------------	---------------------	--------------------------------------

Table 14 does not apply to the Department of Budget and Finance because all of our authorized positions are established by Act 124, SLH 2016 as of 11/30/16.

Department of Budget and Finance  
Overtime Expenditure Summary

Table 15

Prog ID	Sub-Org	Program Title	MOF	FY16 (actual)			FY17 (estimated)			FY18 (budgeted)		
				Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent
BUF 101	AA	Departmental Administration and Budget Division	A	\$ 1,078,174	\$ 28,499	2.6%	\$ 1,181,017	\$ 18,482	1.6%	\$ 1,206,403	\$ 18,482	1.5%
BUF 101	BA	Departmental Administration and Budget Division	A	\$ 1,747,434	\$ 60,303	3.5%	\$ 1,766,921	\$ 28,902	1.6%	\$ 1,822,157	\$ 28,902	1.6%
BUF 115	CA	Financial Administration Division	A	\$ 650,633	\$ 5,031	0.8%	\$ 850,634	\$ 742	0.1%	\$ 934,088	\$ 742	0.1%
BUF 141	FA	Employees' Retirement System	X	\$ 5,577,547	\$ 11,313	0.2%	\$ 6,247,733	\$ 36,000	0.6%	\$ 6,304,631	\$ 36,000	0.6%
BUF 143	EU	Hawaii Employer-Union Trust Fund	T	\$ 2,201,597	\$ 22,491	1.0%	\$ 2,633,679	\$ 27,384	1.0%	\$ 2,689,881	\$ 27,384	1.0%

Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/O)	Max Value	Outstanding Balance	Term of Contract			Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
						Date Executed	From	To					
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	6/24/2013	6/24/2013	Until services are completed	Maximus Consulting Services, Inc.	#62076-01 - Statewide cost allocation plan FY14. RFP 4/15/13. Option to extend four 12-month periods. Appropriation account G-13-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	3/24/2014	3/24/2014	Until services are completed	Maximus Consulting Services, Inc.	#62076-06 (Supplemental contract #1) - Statewide cost allocation plan FY15. RFP 4/15/13. First (of four) option to extend 12-month period. Appropriation account G-14-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	3/23/2015	3/23/2015	Until services are completed	Maximus Consulting Services, Inc.	#62076-11 (Supplemental contract #2) - Statewide cost allocation plan FY16. RFP 4/15/13. Second (of four) option to extend 12-month period. Appropriation account G-15-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ -	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 50,120	2/12/2016	2/12/2016	Until services are completed	Maximus Consulting Services, Inc.	#62076-20 - Statewide cost allocation plan FY17. RFP 4/15/13. Third (of four) option to extend 12-month period. Appropriation account G-13-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 115	A	\$ 14,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 34,000	\$ 20,000	12/7/2012	12/7/2012	12/31/2014	BLX Group	#61702-01 (Original contract) - Arbitrage rebate compliance service (original contract)	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 9,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 19,000	\$ 10,000	10/24/2014	10/24/2014	12/31/2015	BLX Group	#61702-07 (Supplemental contract #1) - Arbitrage rebate compliance service	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 10,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 23,000	\$ 13,000	11/23/2015	11/23/2015	12/31/2016	BLX Group	#61702-13 (Supplemental contract #2) - Arbitrage rebate compliance service	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 41,252	O - Hourly	\$ 68,000	\$ 26,748	8/10/2015	8/10/2015	6/30/2016	Hawkins, Delafield, & Wood	#64540-01 (Original contract) - General advice counsel services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S



Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/D)	Max Value	Outstanding Balance	Date Executed	From	To	Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
BUF 115	A	\$ -	O - Hourly	\$ 75,000	\$ 75,000	6/13/2016	7/1/2016	6/30/2017	Hawkins, Delafield, & Wood	#64540-02 (Supplemental contract #1) - General advice counsel services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 6,050	O - As services are performed	\$ 20,000	\$ 13,950	2/26/2016	2/26/2016	6/30/2016	Public Financial Management, Inc.	#63121-06 (Supplemental contract) - Advisory services regarding issuance, evaluating, and investment of bonds and bonds proceeds.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ -	O - As services are performed	\$ 25,000	\$ 25,000	5/20/2016	5/20/2016	6/30/2018	Public Financial Management, Inc.	#63121-07 (Supplemental contract #3) - Advisory services regarding issuance, evaluating, and investment of bonds and bonds proceeds.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ -	O - As services are performed	\$ 69,500	\$ 69,500	6/8/2016	6/8/2016	6/30/2019	Public Financial Management, Inc.	#64973 (Original contract) - Prepare the State's debt management policy, including debt limits, debt structuring practices, and debt issuing practices. Also prepare the Debt Affordability Study on future debt planned for the State.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF141	X	\$ 760	M	\$ 1,824	\$ 1,064	7/1/2016	7/1/2016	7/1/2017	CW Maintenance, Inc.	Hilo office maintenance services	ERS staff assigned	Y	S
BUF141	X	\$ 7,347	M	\$ 88,165	\$ 80,818	10/15/2015	9/1/2015	8/31/2020	Danette Vanessa Choi (Note B)	Hilo office lease (thru DAGS)	ERS staff assigned; On-site ERS staff and contact with Property Manager	N	L
BUF141	X	\$ 76,000	O - Monthly and fixed fee for specific reports	\$ 780,000	\$ 704,000	12/28/2015	1/1/2016	12/31/2020	Gabriel, Roeder, Smith & Co.	Actuarial Services	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 17,775	M	\$ 114,300	\$ 96,525	8/11/2014	8/15/2014	8/14/2017	Gerald J. McKenna, MD	Member of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 6,436	A	\$ 6,436	\$ -	12/20/2015	1/1/2016	12/31/2016	Hawaii Information Consortium	Web site hosting from state price list, SPO VL NO. 08-13	ERS staff assigned; Monitoring of deliverables, ERS staff use of website	N	S
BUF141	X	\$ 8,775	M	\$ 105,300	\$ 96,525	5/19/2014	8/15/2014	8/14/2017	Howman Lam, MD	Member of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 31,903	O - As services are performed	\$ 73,574	\$ 41,671	8/30/2016	8/30/2016	8/30/2016	Kim, Ching C. dba Rainbow Art Studio	Produce Employees' Retirement System (ERS) quarterly newsletter	ERS staff assigned; Meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 823,780	O - Hourly	\$ 1,235,160	\$ 411,380	2/1/2013	2/1/2013	7/31/2017	KMH LLP	Internal Audit work plan and procedures	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 754,560	O - Per Case completed	\$ 756,160	\$ 1,600	9/12/2013	10/1/2013	6/30/2018	KMH LLP (Note A)	Compute final pension benefit payment	ERS staff assigned; Meetings, review of individual cases	N	S
BUF141	X	\$ 75,506	O - Hourly	\$ 100,000	\$ 24,494	8/2/2016	8/2/2016	6/30/2018	Kobayashi, Sugita & Goda, LLP	Legal services; Act 1 2016	ERS staff assigned; Reports, meetings, phone calls, and e-mails	N	S

Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
BUF141	X	\$ 710	M	\$ 3,654	\$ 2,944	9/1/2016	9/1/2016	8/30/2017	Lexisnexis Risk Solutions	On-line death information and address search database	ERS staff assigned; Usage reviewed	N	S
BUF141	X	\$ 104,167	M	\$ 750,000	\$ 645,833	5/19/2014	6/1/2014	5/31/2017	Patricia L. Chinn, MD	Chairperson of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X		M			5/25/2011	5/25/2011	6/30/2016	Pitney Bowes, Inc.	Mail machine for postage	ERS staff assigned; Usage and service calls as needed	N	E
BUF141	X	\$ 1,905	M	\$ 4,572	\$ 2,667	7/1/2016	7/1/2016	6/30/2017	Security Armored Car and Courier Service of Hawaii	Armored car service	ERS staff assigned; Daily monitoring of deliveries	N	S
BUF141	X	\$ 820	O - Per unit	\$ 3,500	\$ 2,680	7/1/2016	7/1/2016	7/1/2017	Shred-It Hawaii	Shredding services	ERS staff assigned; Usage	N	S
BUF141	X	\$ 162,900	A	\$ 162,900	\$ -	6/1/2016	6/1/2016	5/31/2017	Vitech Systems Group	Database Support and Maintenance	ERS staff assigned; On-site vendor staff, service calls, reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 508,000	A	\$ 2,140,000	\$ 1,632,000	6/20/2016	7/1/2016	6/30/2020	Vitech Systems Group	V3 Software license agreement	ERS staff assigned; On-site vendor staff, service calls, reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 60,039	M	\$ 72,049	\$ 12,010	9/26/2012	9/26/2012	9/25/2017	Xerox	3 xerox copiers	ERS staff assigned; Usage and service calls as needed	N	E
BUF141	X	\$ 54,136	M	\$ 64,966	\$ 10,830	9/26/2012	9/26/2012	9/25/2017	Xerox	3 xerox copiers	ERS staff assigned; Usage and service calls as needed	N	E
BUF143	T	\$ 117,554	O - Quarterly	\$ 239,588	\$ 122,034	9/1/2015	9/1/2015	8/31/2017	Aon Risk Services	Insurance Broker for Fiduciary Liability and Cyber Liability Insurance	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	G/S
BUF143	T	\$ -	M			11/1/2016	11/1/2016	11/1/2019	Bank of Hawaii	Daily banking services for the Hawaii Employer-Union Trust Fund	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T		M			7/5/2012	7/5/2012	7/5/2017	Pitney Bowes	Mailing Machine, Folding/Stuffer Machine	EUTF staff reviews the invoices from Pitney Bowes	N	E
BUF143	T	\$ 375,000	O - Hourly	\$ 500,000	\$ 125,000	7/1/2015	7/1/2015	6/30/2017	Segal Company	Benefits Consultant	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T	\$ -	O - Hourly	\$ 129,800	\$ 129,800	11/18/2016	11/18/2016	7/31/2017	Truven Health Analytics Inc.	Pharmacy benefit plan audit services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T	\$ -	O - As services are performed	\$ 4,640,070	\$ 4,640,070	9/29/2016	9/29/2016	9/28/2020	Vitech Systems Group, Inc.	Support Services and Maintenance and Operational Services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T		M			12/27/2011	12/27/2011	12/27/2016	Xerox	Copier Leases	EUTF staff reviews the monthly invoices from Xerox	N	E

Department of Budget and Finance  
Capital Improvements Program (CIP) Requests

Table 17

<u>Prog ID</u>	<u>Prog ID</u> <u>Priority</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Senate</u> <u>District</u>	<u>Rep.</u> <u>District</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY18 \$\$\$</u>	<u>FY19 \$\$\$</u>
BUF 101	1	1	14	28	Bishop Museum, Facility and Energy Improvements, Oahu	C	875,000	-

Department of Budget and Finance  
CIP Lapses

Table 18

<u>Prog ID</u>	<u>Act/Year of Appropriation</u>	<u>Project Title</u>	<u>MOF</u>	<u>Lapse Amount \$\$\$\$</u>	<u>Reason</u>
NONE					

Department of Budget and Finance  
Program ID Sub-Organizations

Table 19

<u>Program ID</u>	<u>Sub-Org Code</u>	<u>Name</u>	<u>Objective</u>
BUF 101	AA	Departmental Administration and Budget Division	To plan, direct, and coordinate comprehensive programs, services and functions which include the Department's administration of fiscal/accounting tasks, budget and management services, personnel services, contracts administration, and systems and procedures.
BUF 101	BA	Departmental Administration and Budget Division	To facilitate and improve the executive resource allocation process by thorough planning, programming, and budgeting and analyses, through sound recommendations on all phases of program scope and funding, and by efforts to simplify and more directly tie program performance with resource allocation decisions (MOF A, B, N).
BUF 101	BB	Departmental Administration and Budget Division	To facilitate and improve the executive resource allocation process by thorough planning, programming, and budgeting and analyses, through sound recommendations on all phases of program scope and funding, and by efforts to simplify and more directly tie program performance with resource allocation decisions (MOF U, W).
BUF 102	CB	Collective Bargaining Statewide	To facilitate the allotment and disbursement of statewide collective bargaining appropriations (MOF A, B, N, P).
BUF 102	CC	Collective Bargaining Statewide	To facilitate the allotment and disbursement of statewide collective bargaining appropriations (MOF W)
BUF 103	VP	Vacation Payout Statewide	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX.
BUF 115	CA	Financial Administration Division	To maximize the value, investment, and use of State funds through proactive planning, the development of prudent statewide planning policies, the timely scheduling of State bond financing and the establishment of appropriate cash management controls and procedures.
BUF 141	FA	Employees' Retirement System	To administer the retirement and survivor benefits program for State and county members and to anticipate and exceed their needs; manage the retirement system's resources in a responsible and cost-effective manner; prudently manage investments in accordance with fiduciary standards; and to provide an open and participative work environment for staff.
BUF 143	EU	Employer Union Trust Fund	To administer health and life insurance benefits for eligible active and retired State and county public employees and their dependents by: 1) providing quality service levels to employee-beneficiaries and their dependent-beneficiaries, and 2) complying with federal and state legal requirements.

Department of Budget and Finance  
Program ID Sub-Organizations

Table 19

<u>Program ID</u>	<u>Sub-Org Code</u>	<u>Name</u>	<u>Objective</u>
BUF 151	HA	Office of the Public Defender	To safeguard the rights of individuals by providing statutorily entitled and effective legal representation in criminal, mental commitment, and family cases in compliance with Chapter 802, Hawaii Revised Statutes, and the Hawaii Rules of Professional Conduct; prudently manage Deputy Public Defender and support service resources and caseloads; and maintain a quality training program for Deputy Public Defender staff.
BUF 721	ST	Debt Service Payments - State	To make and record debt service payments for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH), in a timely and accurate manner.
BUF 725	LE	Debt Service Payments - DOE	To make and record debt service payments for the Department of Education (DOE) in a timely and accurate manner.
BUF 728	HE	Debt Service Payments - UH	To make and record debt service payments for the University of Hawaii (UH) in a timely and accurate manner.
BUF 741	ST	Retirement Benefits Payments - State	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH) in an effective and timely manner.
BUF 745	LE	Retirement Benefits Payments - DOE	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for the Department of Education (DOE) in an effective and timely manner.
BUF 748	HE	Retirement Benefits Payments - UH	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for the University of Hawaii (UH) in an effective and timely manner.
BUF 761	ST	Health Premium Payments - State	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH) in an effective and timely manner.
BUF 765	LE	Health Premium Payments - DOE	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for the Department of Education (DOE) in an effective and timely manner.
BUF 768	HE	Health Premium Payments - UH	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Funds (EUTF) for the University of Hawaii (UH) in an effective and timely manner.

Department of Budget and Finance  
Organization Changes

Table 20

<u>Year of Change</u>	<u>Description of Change</u>
FY17	<b>EUTF's Benefits Office (BUF 143)</b>
	1. Established PN 122074, EUTF Benefits Audit Specialis, Pseudo No. 970100, Benefits Compliance Aduit Specialist, authorized by Act 124, SLH 2016, in the Benefits Office.
FY17	<b>OPD's Oahu Branch (BUF 151)</b>
	1. Established Office Services Section in the Oahu Branch which provides clerical support to court sections, excluding the Investigation Section.
	2. Established two (2) units in the Office Services Section: General Clerical Services and Legal Clerical Services under the direct supervision of Pseduo No. 970050, Clerical Supervisor (retitled to Public Defender Supervising Legal Clerk, PN 122095.)
	3. Moved the reception, case file and messenger services to the newly established General Clerical Services Unit.
	4. Rename Clerical Services to Legal Clerical Services Unit.
	5. PN 101224, Legal Stenographer/Public Defender Appellate, 1)moved from Appeals Section of Oahu Branch to the Office Services Section and reports directly to Pseudo No. 9750050, Public Defender Supervising Legal Clerk, instead of PN. 101088, Deputy Public Defender V, and 2) re-described to PD Legal Clerk, SRNA.
	6. Pseudo No. 970050 authoirzed by Act 124, SLH 2016, established as head of Office Services Section, and retitled to Public Defender Supervising Legal Clerk, PN 122095.
FY18	Convert 50 temporary positions to permanent positions (subject to approval of FB 17-19 budget request for BUF 151).

DAVID Y. IGE  
GOVERNOR



WESLEY K. MACHIDA  
DIRECTOR

RODERICK K. BECKER  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

August 18, 2016

TO: Neal Miyahira, Administrator  
Budget, Program Planning and Management Division

FROM: Tracy M. Ban, Administrative Services Officer   
Administrative and Research Office

SUBJECT: Annual Review and Update of Departmental Organization and Position  
Organization Charts and Functional Statements

In accordance with Executive Memorandum No. 16-03, Annual Review and Update of Departmental Organization and Position Organization Charts and Functional Statements, we are providing your office with two (2) paper copies and a CD of the electronic copy in PDF format of all current updated organization and position organization charts and functional statements as of June 30, 2016.

If you have any questions, please contact Ms. Louisa Lee at 586-1632 or [louisa.k.lee@hawaii.gov](mailto:louisa.k.lee@hawaii.gov).

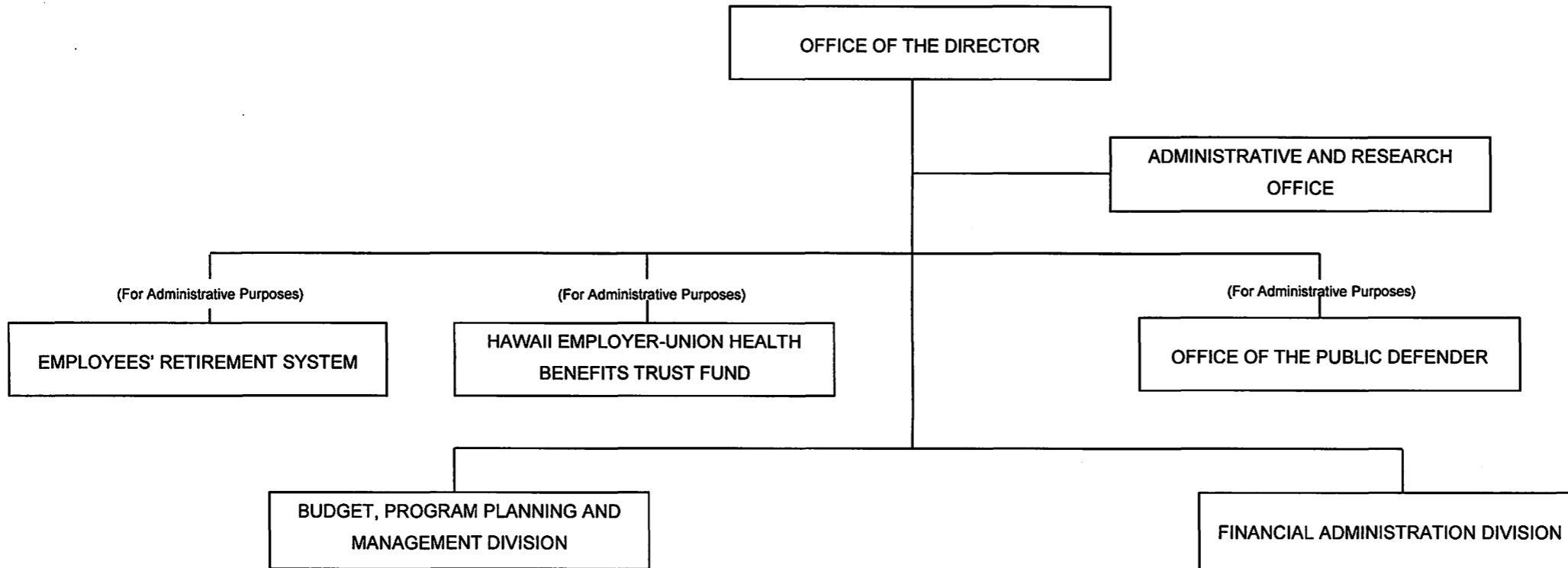
**Attachments:**

1. Functional Statements as of June 30, 2016.
2. Organization and position organization charts as of June 30, 2016

c: Budget and Fiscal Staff  
Human Resources Staff

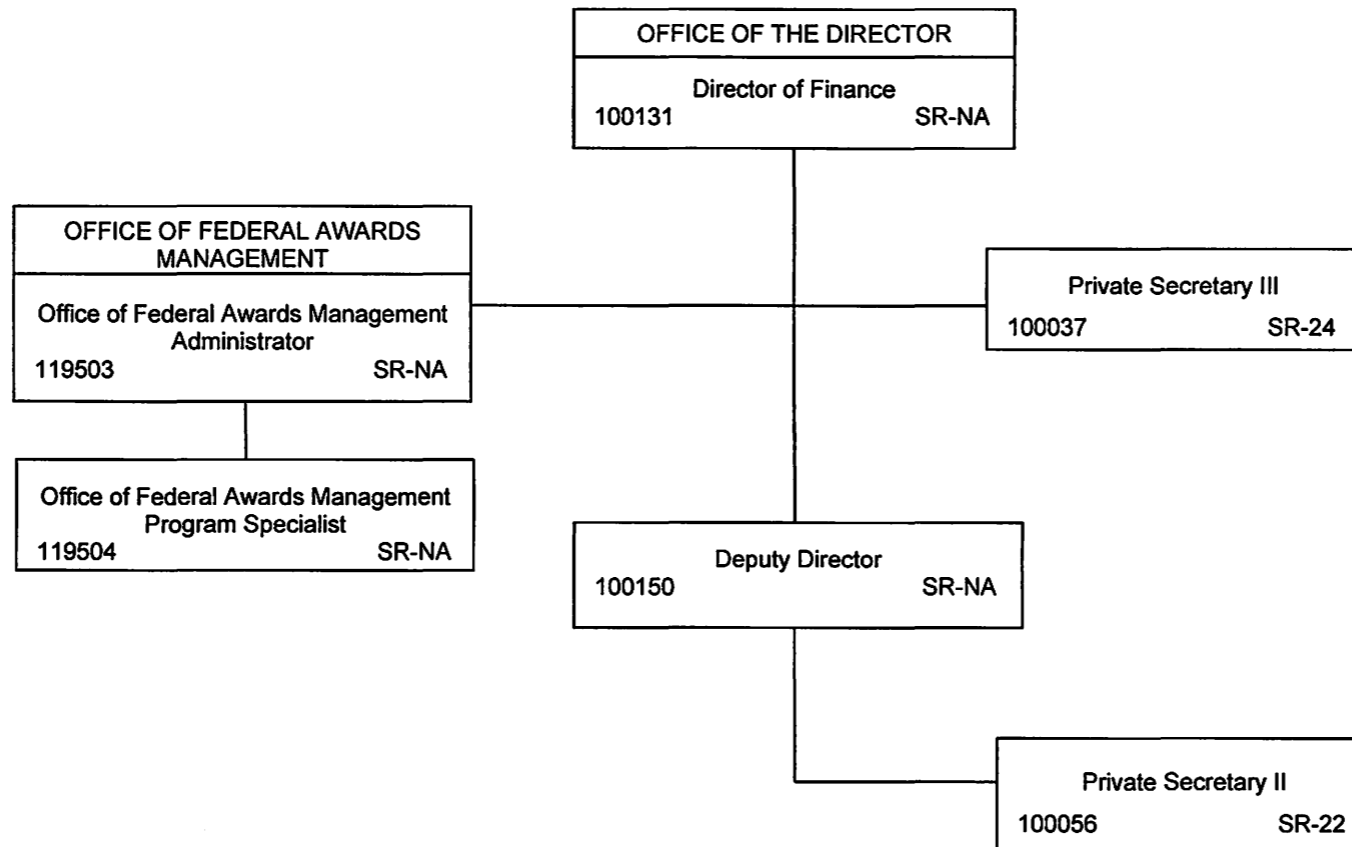


STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
ORGANIZATION CHART



STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE DIRECTOR

POSITION ORGANIZATION CHART



STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE

FUNCTIONAL STATEMENT

Under the general direction of the Governor of the State of Hawaii, the Department of Budget and Finance administers the multi-year program and financial plan and Executive budget, management improvement, and financial management programs of the State.

Coordinates State budget services and prepares the Governor's budget for submission to the Legislature; supervises the budgetary and fiscal policies established by the Governor or mandated by the legislature; supervises and controls the budget appropriations authorized by the Legislature; prepares and revises the State's general fund financial plan; researches and analyzes the State's future revenues, expenditures and prepares financial projections to support the development of a financial plan; ensures the State's priorities are addressed in the development of resource allocation strategies; reviews, analyzes, evaluates, monitors, and coordinates capital improvement project (CIP) appropriations and expenditures; reviews proposed legislation and recommends appropriate action to the Governor; coordinates the program planning and analysis efforts of the State; develops and implements the State's program evaluation system; develops statewide program structure format and procedures; reviews agencies' multi-year programs and financial plans; analyzes variance reports; prepares issue papers; undertakes, as necessary, program evaluations and analytical studies; provides technical management and analysis assistance to the Governor, the executive departments, and the Legislature in making maximum use of authorized management resources; analyzes and improves both statewide as well as specific or departmental management systems, policies and procedures; reviews requests to reorganize; and develops methods to better utilize space, time and manpower.

Administers the financial affairs of the State; plans, directs, and coordinates the development of the State's financial strategies and overall policies regarding investments and financing programs; plans, markets, coordinates, reviews and monitors the State's bond issues; receives, safekeeps, invests, lends and disburses money on deposit in the State Treasury; manages the public debt; and administers the State Unclaimed Property Program.

The following agencies are placed within the Department of Budget and Finance for administrative purposes:

Employees' Retirement System (ERS)

Administers a retirement and survivor benefits program for State and county employees; collects retirement contributions from members; provides pre-retirement counseling services; conducts disability hearings and appeals; reviews claims for retirement, disability, and death benefits and certifies these benefits for payments; processes semi-monthly pension checks to retirees and beneficiaries; accounts for and safeguards assets in the ERS investment portfolio; and invests funds to help finance this program.

Hawaii Employer-Union Health Benefits Trust Fund (EUTF)

Provides eligible State and county employees, retirees, and their dependents with health and other benefits at a cost affordable to both the public employers and the public employees. Develops and contracts for, implements and administers the health benefits and group life insurance plans for State and county employees and retirees; establishes and adopts eligibility requirements; furnishes information on benefit plans; trains personnel and fiscal officers to enroll eligible employee-beneficiaries, and dependent-beneficiaries in benefit plans; collects

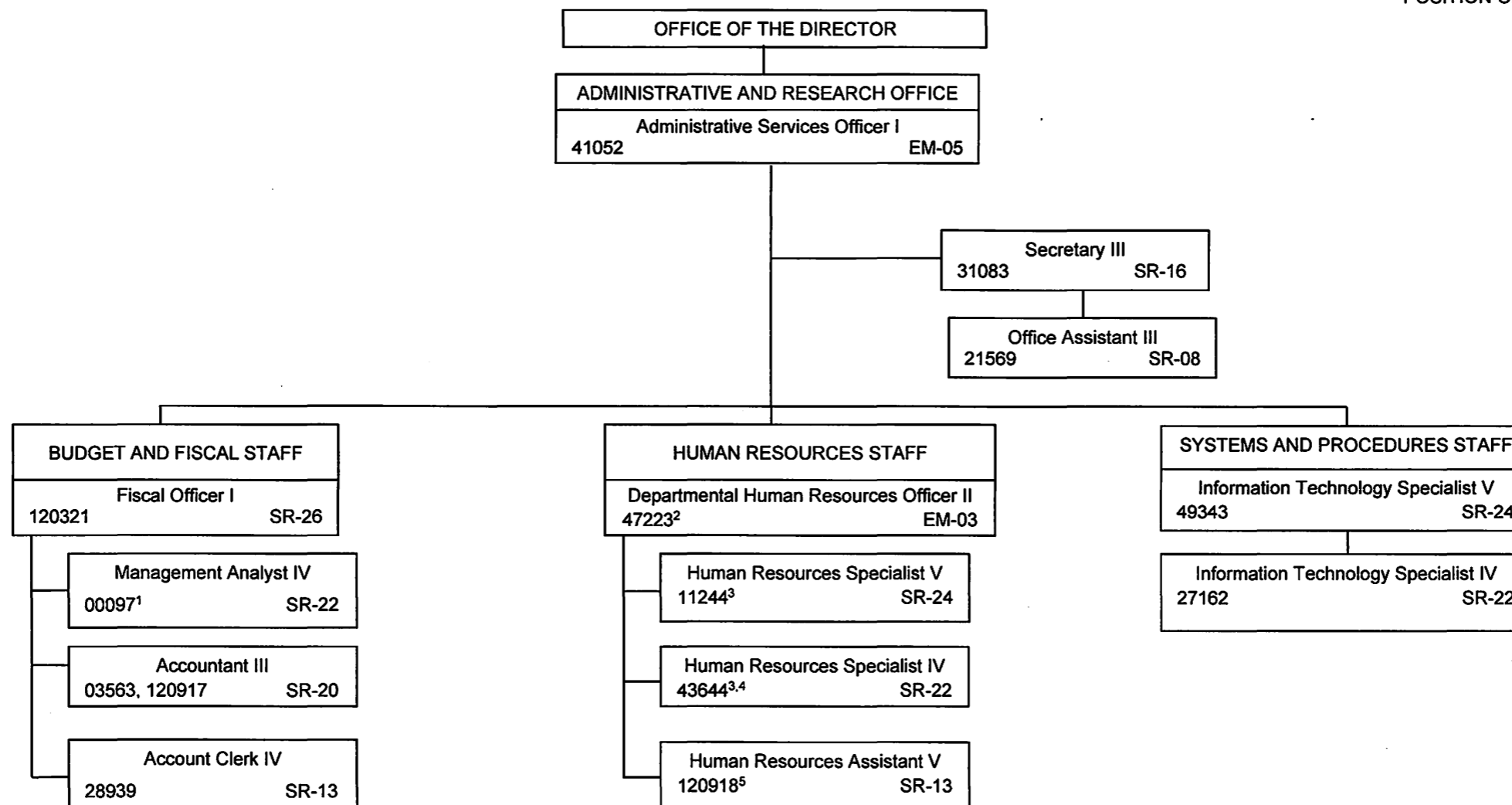
contributions from State and county public employers and employees; remits insurance premiums to carriers; assists in administration of the State of Hawaii Premium Conversion Plan (PCP); and services the enrollments of State and county retirees and COBRA qualified-beneficiaries; and is authorized to implement a long-term care insurance plan.

Office of the Public Defender (PD)

Safeguards the rights of individuals in need of assistance in criminal and related cases by providing statutorily entitled legal services to those individuals who are financially unable to obtain such services.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
ADMINISTRATIVE AND RESEARCH OFFICE

POSITION ORGANIZATION CHART



1. PN 97, Management Analyst IV, SR-22, temporarily reallocated to Management Analyst I, SR-16, effective 02/25/14.
2. PN 47223, title change from Departmental Personnel Officer to Departmental Human Resources (HR) Officer, effective 01/27/16.
3. PNs 11244 and 43644, title change from Personnel Management Specialist to HR Specialist, effective 01/27/16.
4. PN 43644, HR Specialist IV, SR-22, temporarily reallocated to HR Specialist III, SR-20, effective 02/01/16.
5. PN 120918, title change from Personnel Clerk V to HR Assistant V effective 01/27/16; and reallocated from HR Assistant IV, SR11, to HR Assistant V, SR-13, effective 06/01/16.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
ADMINISTRATIVE AND RESEARCH OFFICE

FUNCTIONAL STATEMENT

Plans, directs and coordinates comprehensive programs, services and functions which include the Department's administration of fiscal/accounting, budget and management services, personnel services, contracts administration, and systems and procedures.

- Conducts reviews of fiscal procedures and accounting systems and recommends revisions and new procedures.
- Prepares financial reports and directs compilation and evaluation of fiscal data while maintaining a comprehensive system of accounting for the Department's finances and controlling departmental expenditures.
- Coordinates and oversees development, submittal and execution of departmental program and financial plans.
- Formulates policies and procedures governing administrative staff services to support various agency programs and supervises the Department's personnel management systems and procedures while coordinating personnel functions across and among divisions.
- Coordinates and determines manpower requirements for future and present departmental programs.
- Recruits personnel to meet departmental program requirements and determines and establishes standards and guidelines for personnel selection.
- Analyzes and develops training standards and implements these standards into training programs.
- Develops objective guidelines, standards and systems for employee appraisal and provides necessary information, coordination and guidance in all personnel matters, State personnel rules and regulations, workers' compensation laws and program, etc.
- Coordinates and implements reasonably safe and healthy working conditions in conformance with OSHA requirements.
- Maintains and stores personnel records and determines standards and objectives for incentive and service awards.
- Coordinates departmental personnel and financial planning and expenditure matters and provides advice and guidance on personnel and financial matters to Department employees.
- Assists in financial planning and conducts periodic review of departmental program budgets to determine effectiveness and adherence to financial planning and departmental goals.
- Ensures prudent use of financial resources along program and project lines and develops methods for economy measures and cost reduction.
- Provides analytical and advisory information to all divisions and staff offices as to the status of allotments and accounts.
- Performs purchasing services for the Department. Conducts and maintains the Department's physical inventory.

- Maintains and processes departmental payrolls.
- Assists in the formulation of policies and procedures governing administrative staff services to support departmental programs.
- Conducts management analysis reviews of operations, of purchasing and property management activities, of organizational and functional responsibilities, and of fiscal, accounting, budgetary and performance management information systems.
- Coordinates departmental activities such as telecommunications, energy conservation, civil defense, records management, data processing, etc.
- Provides advice and interpretation of all collective bargaining contracts and units found in the Department, discerns contract violations and settles contract disputes.
- Provides departmental staff services to the Office of the Director, divisions, administratively attached agencies and other governmental agencies in contracts administration.
- Plans, coordinates, and supports data processing and telecommunication activities of the Department.

### BUDGET AND FISCAL STAFF

Plans, coordinates and implements the Department's budget and financial plan; directs the accounting and fiscal activities; coordinates the recording and reporting of the Department's assets; serves as the Department's primary resource in procurement-related activities; and conducts management analysis.

#### Budget and Financial Plan

- Coordinates, prepares, and presents the Department's intermediate- and long-range plans and budgets for its various programs. Executes approved budgets and formulates the expenditure plans.

#### Accounting and Fiscal

- Plans, monitors and controls the Department's fiscal and accounting activities. Develops and implements policies and procedures to ensure sound internal controls.

Processes the Department's payroll and maintains all related records.

#### Procurement

- Coordinates, monitors and provides guidance to the Department's programs in all procurement-related activities. Develops and implements policies and procedures to safeguard the Department's assets and to ensure compliance with the pertinent laws, rules, regulations and procedures.

#### Management Analysis

- Reviews, analyzes and provides recommendations on a wide variety of management services such as improvement in practices, methods, procedures, work distribution and organizational structure to maximize the Department's effectiveness and efficiency; space and equipment utilization; and records management.

For all functional areas:

- Serves as the department's resource in the interpretations and application of laws, rules regulations, policies, procedures and guidelines governing budgeting, accounting and fiscal, procurement and management analysis.

- Develops and implements policies and procedures to ensure the prudent, effective and efficient use of the Department's financial resources.
- Identifies training needs and develops, directs or coordinates training sessions for the Department's management team and/or support staff to better the understanding of the various functional areas.
- Develops and maintains comprehensive and meaningful reporting system for use by the Department's management team.

### HUMAN RESOURCES STAFF

Administers a comprehensive human resources management program for the Department and provides staff assistance to the Department's administration, programs, and employees in all functional areas of human resources management.

- Reviews position descriptions and classification requests and classifies jobs in accordance with classification factors and class specifications established by the Department of Human Resources Development (DHRD). Reviews and recommends appropriate classification actions to DHRD for non-delegated classes of work.
- Develops, coordinates, and executes plans, options, and strategies to identify, recruit, and/or retain qualified applicants or employees to meet departmental human resources requirements. Develops, coordinates, and executes procedures, standards and guidelines for selection processes.
- Provides to management officials and employees interpretations, advisements, and applications of: laws relating to personnel management; DHRD Administrative Rules; Collective Bargaining Contract provisions; Executive Orders; DHRD Policies and Procedures; Departmental Policies and Procedures; Travel Rules of the Department of Accounting and General Services, etc.
- Develops, implements, and ensures compliance with policies and procedures, strategies, and/or alternatives that are consistent with objectives and proper practices in the human resources management functional areas. Ensures achievement of Department goals and objectives while operating within the framework of applicable laws, rules, contracts, and sound human resources management practices and principles.
- Responsible for proper administration of human resources management functions which have been delegated to the Department by DHRD.
- Identifies training needs and develops, directs, or coordinates training program for departmental management officials and employees to: 1) ensure a well-trained workforce; 2) assist employees toward achieving their career goals; and 3) motivate employees toward higher productivity and work satisfaction.
- Provides guidance and assistance to management officials, supervisors, and employees on all problem areas in employee conduct, performance appraisal, discipline, employee groups, equal employment opportunity, grievances, morale, etc.
- Develops, interprets, and administers guidelines to promote cooperative relations among employees and with employee organizations. Advises and assists management in solving labor relations problems, including settlement of grievances.
- Coordinates and oversees a workers' compensation program for the Department.
- Coordinates and directs various employee recognition and incentive programs. Advises and supports the Department Incentive and Service Awards Program Committee.



- Develops, implements, and ensures compliance with American with Disabilities Act (ADA) policy, Equal Employment Opportunity (EEO) Policy, Affirmative Action (AA) Plans and Sexual Harassment Policy of the Department to ensure alleviation/elimination of discrimination practices. Resolves ADA, EEO/AA and sexual harassment complaints.
- Develops, implements, and enforces a safety and health program to ensure a safe and healthy workplace and working conditions for employees in compliance with Occupational Safety and Health Administration (OSHA) requirements.
- Develops and maintains efficient comprehensive personnel records and reporting systems.
- Responsible for the full range of personnel transactions processing in each of the functional areas of personnel management which includes classification, recruitment and selection, training, employee recognition and incentives, labor relations, workers' compensation, personnel records and reporting, etc.
- Provides information, guidance, and assistance to Department employees in the administration of benefit programs and leaves of absences.

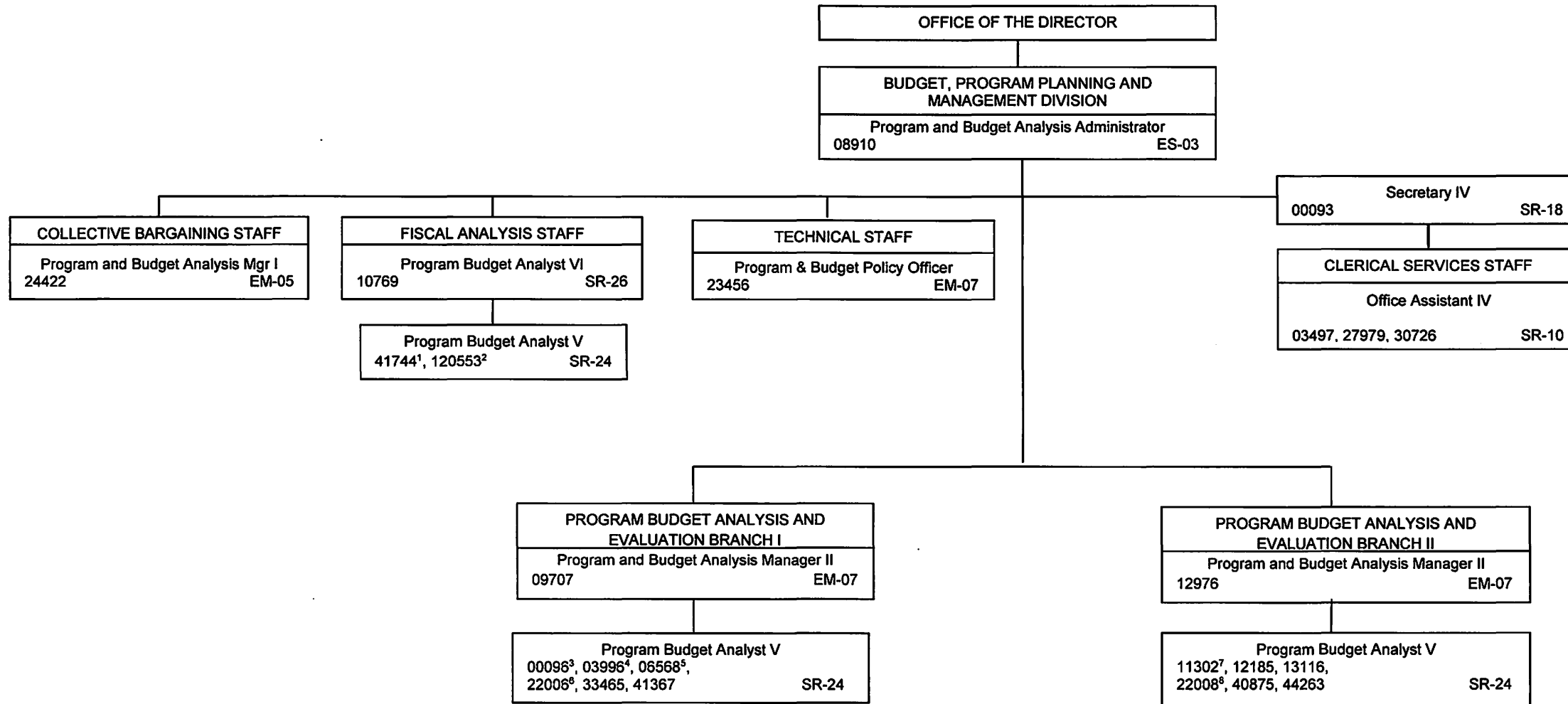
#### SYSTEMS AND PROCEDURES STAFF

Coordinates all functions related to information, data processing, and telecommunication services in support of departmental program requirements including interfaces between the Department and the Department of Accounting and General Services, Information and Communication Services Division (ICSD).

- Develops and implements the Department's strategic plan for data processing and telecommunications.
- Advises Division/Program staff on data processing and telecommunication requirements and coordinates all data processing and telecommunications activities for the Department.
- Recommends policies and procedures governing departmental data processing and telecommunication activities.
- Designs, develops, monitors and maintains automated systems including local area networks (LANs) and wide area networks (WANs) to meet user needs.
- Reviews and coordinates computer hardware/software acquisitions and upgrades.
- Provides system maintenance support and necessary software upgrades including diagnostics, system performance problem troubleshooting, hardware repairs, and responds to individual user requests for PC related assistance.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION

POSITION ORGANIZATION CHART



1. PN 41744, Program Budget Analyst (PBA) V, SR-24, temporarily reallocated to PBA IV, SR-22, effective 06/01/16. Position detailed to Branch II effective 06/02/14.
2. PN 120553, reallocated from PBA IV, SR-22 to authorized level of PBA V, SR-24, effective 09/01/15. Position detailed to Branch I effective 04/18/12.
3. PN 96, PBA V, SR-24, temporarily reallocated to PBA III, SR-20, effective 03/01/15.
4. PN 03996, PBA V, SR-24, detailed to Fiscal Analysis Staff effective January 2013.
5. PN 06568, PBA V, SR-24, detailed to Fiscal Analysis Staff effective June 2011.
6. PN 22006, PBA V, SR-24, detailed to Branch II effective 05/15/13.
7. PN 11302, PBA V, SR-24 detailed to Branch I effective 06/01/16.
8. PN 22008, PBA V, SR-24, reallocated from PBA IV, SR-22, to authorized level of PBA V, SR-24, effective 02/01/16.

As of June 30, 2016  
Prepared by ARO-HR Staff  
Date Prepared: August 2, 2016

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION

FUNCTIONAL STATEMENT

Plans, directs, and coordinates a statewide resource allocation program to facilitate and improve the executive resource allocation and utilization processes through planning, programming, budgeting, conducting analyses, and making recommendations on all phases of inter- and intra-program content, scope, and funding.

- Conducts comprehensive and in-depth analyses of State programs, systems, operations, organizations, problems, and issues.
- Participates in the preparation, analysis, and presentation of the State's six-year program and financial plan and the Executive Budget. Participates in the development and analysis of long- and short-range program plans.
- Develops and maintains standards of performance within the resource allocation system and evaluates agency conformance with established standards.
- Analyzes the program structure and participates in the development of program objectives. Formulates program evaluation methods and techniques.
- Provides technical management services, assistance and advice to the Governor, the executive departments and agencies in making maximum use of their authorized management resources in order to achieve the State's statutory requirements, goals, and objectives efficiently, economically, and effectively.
- Plans, analyzes, develops, and implements management improvement projects, systems, methods, policies, etc., to better utilize money, personnel, equipment, time, and space.
- Conducts a continuous review of programs and the financial condition of the State government.
- Provides advice on and monitors compliance with budget execution policies and procedures by State agencies.
- Reviews proposed legislation for program and budgetary impact and makes recommendations to the Director of Finance.
- Provides advice and assistance to agencies in the areas of planning, programming, and budgeting.
- Reviews, analyzes, evaluates, monitors, and coordinates CIP appropriations and expenditures.
- Prepares and revises the State's general fund financial plan. Compiles financial and statistical reports on the status and trends of State funds, including general, special and bond funds.
- Analyzes and reports on the State's financial trends through studies of bonded debt, cash condition, revenues, and expenditures.

- Provides fiscal and budgetary staff support on matters involving collective bargaining negotiations and the analysis of collective bargaining proposals and contracts, including, with the approval of the Director of Finance, representing the Department on the State Negotiating Team and the Statewide Employer's Negotiating Team.

#### CLERICAL SERVICES STAFF

Provides secretarial, stenographic and clerical support services to the Division.

- Develops and makes recommendations on forms, clerical procedures, and office practices.
- Provides stenographic, typing, and other clerical support to staff of the Division.
- Maintains files of the Division.
- Maintains library of texts, publications, and references used by Division staff.
- Orders and maintains office supplies and equipment required by staff of the Division.
- Records and maintains control over correspondence and forms received by the Division.

#### COLLECTIVE BARGAINING STAFF

Provides fiscal and budgetary staff support on matters involving collective bargaining negotiations and the analysis of collective bargaining proposals and contracts.

- Participates as a representative of the Director of Finance in collective bargaining strategy meetings, deliberations and negotiations with the State Negotiating Team and the Statewide Employers' Negotiating Team.
- Develops recommendations to advise the Director of Finance in collective bargaining philosophy and strategy.
- Keeps the Director of Finance informed of the status of collective bargaining negotiations and activities.
- Analyzes and provides information on the cost implications of wage proposals for the State and the various counties.
- Develops and maintains computerized collective bargaining data.
- Prepares collective bargaining appropriation requests for legislative action.
- Coordinates the preparation of supporting material on the economic condition of the State and various county jurisdictions for fact-finding boards in impasse proceedings.
- Conducts special projects or analytic studies relating to collective bargaining which involve State programs, problems, and issues.

## FISCAL ANALYSIS STAFF

Provides a variety of administrative, analytical, and other support services to facilitate the work of the Division.

- Prepares and revises the State's general fund financial plan. Compiles financial and statistical reports on the status and trends of State funds, including general, special, and bond funds.
- Analyzes and reports on State financial trends through studies of bonded debt, cash condition, status of funds, and revenue estimates.
- Prepares, submits, and negotiates the Statewide Central Service Cost Allocation Plan and the Composite Fringe Benefit Rate Proposal.
- Provides financial planning, forecasting, analysis and program evaluation staff services in the evaluation of local, national, and international trends of a financial and economic nature.
- Provides staff support to the Council on Revenues, primarily regarding projections of non-tax revenues and special fund tax revenues. Evaluates projections and forecasts of State agencies.
- Coordinates and prepares an assessment of special funds for central and departmental administrative expenses.
- Prepares summary statements, charts, and other graphic presentations for programming and budgeting purposes.
- Provides for production of the State's six-year program and financial plan, the Executive Budget, and other publications.
- Conducts special studies to facilitate the work of the Division.
- Provides data processing support for the Division and develops the Division's computerized management information system and maintains liaison with the Information and Communication Services Division staff to assure that accurate and timely reports are obtained for planning, programming, and budgeting purposes.
- Prepares the Division's program plan, budget, variance report, expenditure plan, and revenue estimates.
- Prepares divisional responses to requests for information from the legislature and other agencies.
- Coordinates accounting services with the departmental accounting office.
- Coordinates statewide allotment of centrally budgeted collective bargaining funds and other special appropriations.
- Coordinates and prepares an assessment of special funds for central and departmental administrative expenses.

## TECHNICAL STAFF

Provides technical staff services in planning, developing, directing, and coordinating statewide program planning, budgeting, and evaluation activities. Participates in program structure analysis, develops statewide policies on budgeting procedures, program objectives, and the formulation of program evaluation methods and techniques.

- Establishes long-range goals and objectives for the State with the program and departments concerned, and defines responsibilities of major State programs to accomplish such objectives, with consideration of organizational lines.
- Directs and coordinates the preparation of the program structure as a guide for all State agencies to systematically prepare multi-year plans to serve as a base on which current budget requirements can be developed to accomplish planned program goals.
- Develops, prepares, and implements program plan instructions for all State programs and departments, interprets them and provides direct technical advisory services and statewide coordination to program managers and administrators to attain the results of effective program planning, with awareness of ever-increasing tendency toward technical and organizational complexities.
- Develops, implements, and maintains a monitoring system to provide for a systematic review and evaluation of all program plans prepared by all State departments. Coordinates assistance to departments to improve such plans, insures managers' and administrators' awareness and understanding of plan input, and stimulates and initiates the development of training programs for continued improvement in program planning activities, as well as for the removal of technical barriers.
- Provides program evaluation staff assistance to the Office of the Governor.
- Develops statewide guidelines for the preparation, review, and implementation of long-range plans, the six-year program and financial plan, and the Executive Budget, including overall system design, data requirements, schedules, instructions, forms, processing, reports, and printing requirements.
- Develops and maintains standards of performance for State agencies within the components of the resource allocation system and evaluates agency conformance with established standards. Makes recommendations on changes required to facilitate long-range planning, programming, financial planning, and budgeting functions.
- Provides assistance and advice to State personnel in clarifying philosophy, design, policies, and procedures of the resource allocation system.
- Recommends amendments to the Executive Budget Act and other legislation affecting the State's resource allocation system.
- Develops required legislative proposals affecting the statewide resource allocation system and the Executive Budget Act. Reviews and makes recommendations on legislation and statutes affecting State budget and resource allocation practices and policies.

## PROGRAM BUDGET ANALYSIS AND EVALUATION BRANCHES I AND II

Participates in the preparation, analysis, and presentation of long-range plans and budgets for programs in the following offices and departments: Governor; Lieutenant Governor; Accounting and General Services; Agriculture; Attorney General; Budget and Finance; Business, Economic Development and Tourism; Commerce and Consumer Affairs; Defense; Education; Hawaiian Home Lands; Health; Human Resources Development; Human Services; Labor and Industrial Relations; Land and Natural Resources; Public Safety; Taxation; Transportation; and the University of Hawaii. Analyzes policies, programs, issues, and problems in the assigned programs and recommends appropriate action.

- Coordinates the preparation and submittal of long-range plans, six-year program and financial plans, and program performance reports. Participates in the formulation of program budgets and supplemental budgets.
- Provides advice and assistance to agencies. Advises agency personnel in interpreting planning, programming, budgeting, and management improvement directives, instructions, policies, procedures, and guidelines.
- Analyzes proposed plans, programs, and budgets. Recommends formalization of program objectives; measures of effectiveness; identification of target groups served; alternatives by which objectives may be achieved; determination of full costs, effectiveness and benefit implications of the alternatives; clarification of the assumptions, risks, and uncertainties involved; and identification of the cost, effectiveness, and benefit trade-offs of the alternatives.
- Recommends appropriate action on program change requests and requests to establish new programs. Recommends revisions to program structure, resource allocation levels, and changes to policies and guidelines affecting the work of the branch.
- Conducts or participates in the conduct of analyses of policies, programs, issues, and problems. Documents findings and recommendation in program memoranda, special analytic studies, issue papers or other formal reports.
- Participates in preparation of reports on program performance.
- Analyzes proposed legislation and makes recommendations on appropriate executive action. Participates in analysis of appropriation bills.
- Reviews and reports on matters dealing with government operations and the use of public funds referred by the Governor's Office for comments and recommendations.

Provides for the formulation, presentation, and execution of budgets in conformity with approved resource allocation levels; reviews agency operations plans; provides for allotment of funds appropriated by the Legislature and control over proposed agency expenditures in accordance with established policies and guidelines.

- Conducts analysis of budget requests submitted by agencies to insure that budgets are in conformance with resource allocation levels recommended for programs, and are sufficient to carry out program objectives.
- Reviews and evaluates agency operations plans and planned expenditures; recommends allotment of funds appropriated for approved programs.
- Reviews and makes recommendations on the transfer of funds, hiring of consultants, applications for federal or private funds, and other matters relating to proposed use of public funds.
- Compiles and presents information on program budgets and program costs.
- Advises and assists agency personnel in budgeting, expenditure control, and related fiscal management matters.

Reviews State capital improvement projects (CIP) for consistency with the Hawaii State Plan and reports findings and recommendations to the Governor on the allotment of CIP funds.

- Maintains and refines systematic reviewing and reporting means to provide efficient, accurate, and timely information on State CIP projects for the Administration.
- Administers the CIP information system to facilitate information retrieval, file maintenance, and updating of project information to efficiently monitor, control, and implement the State's CIP in support of State goals and objectives.
- Administers the comparative review of CIP project specifications and standards to ensure conformance with explicit or implied guidelines, and legislative intent, for the implementation of CIP projects on a systematic and statewide basis. Reviews each project's conformance with administrative policies and legislative intent.
- Reviews and evaluates capital improvement projects proposed for undertaking by State and county agencies to assure conformity with the objectives of the State Plan and report findings and recommendations to the Governor relative to allocation of funds.
- Reviews, analyzes and reports on State and county CIP projects which extend over wide geographical areas of the State and which have significant impact upon economic development, land use, environmental quality, construction employment and executive policy directions including growth management.
- Monitors, evaluates, and reports the CIP needs of functional programs, such as submitting special impact reports and recommendations on area development plans, site selection studies and master plan studies.
- Recommends action on specific projects, including coordination required to bridge gaps between and among plans of various State, county, and federal agencies and private concerns.
- Develops, clarifies, and interprets executive directives and instructions governing CIP and statewide planning concerns, including technical and statutory requirements in formulating and implementing the CIP.
- Works in close cooperation with appropriate State, county, and federal agencies and participates in meetings required by private agencies, such as clarifying status of capital improvement projects, justifications necessary for implementation, and coordination required.
- Directs and coordinates the development of the statewide CIP expenditure and priorities plan, including reviews, evaluations, and recommendations regarding capital expenditure plans of State departments.
- Processes Form A-15 (Allotment Advice) and monitors, coordinates, evaluates and makes recommendations on requests for CIP appropriations and expenditures from departments of the State and various county governments, and non-profit private agencies.
  - Reviews appropriateness of CIP appropriations and expenditures.
  - Checks on the availability of CIP funds.
  - Maintains liaison with agencies initiating CIP requests while working in coordination with the Department of Accounting and General Services.
  - Reviews applicability of CIP requests to programs concerned.



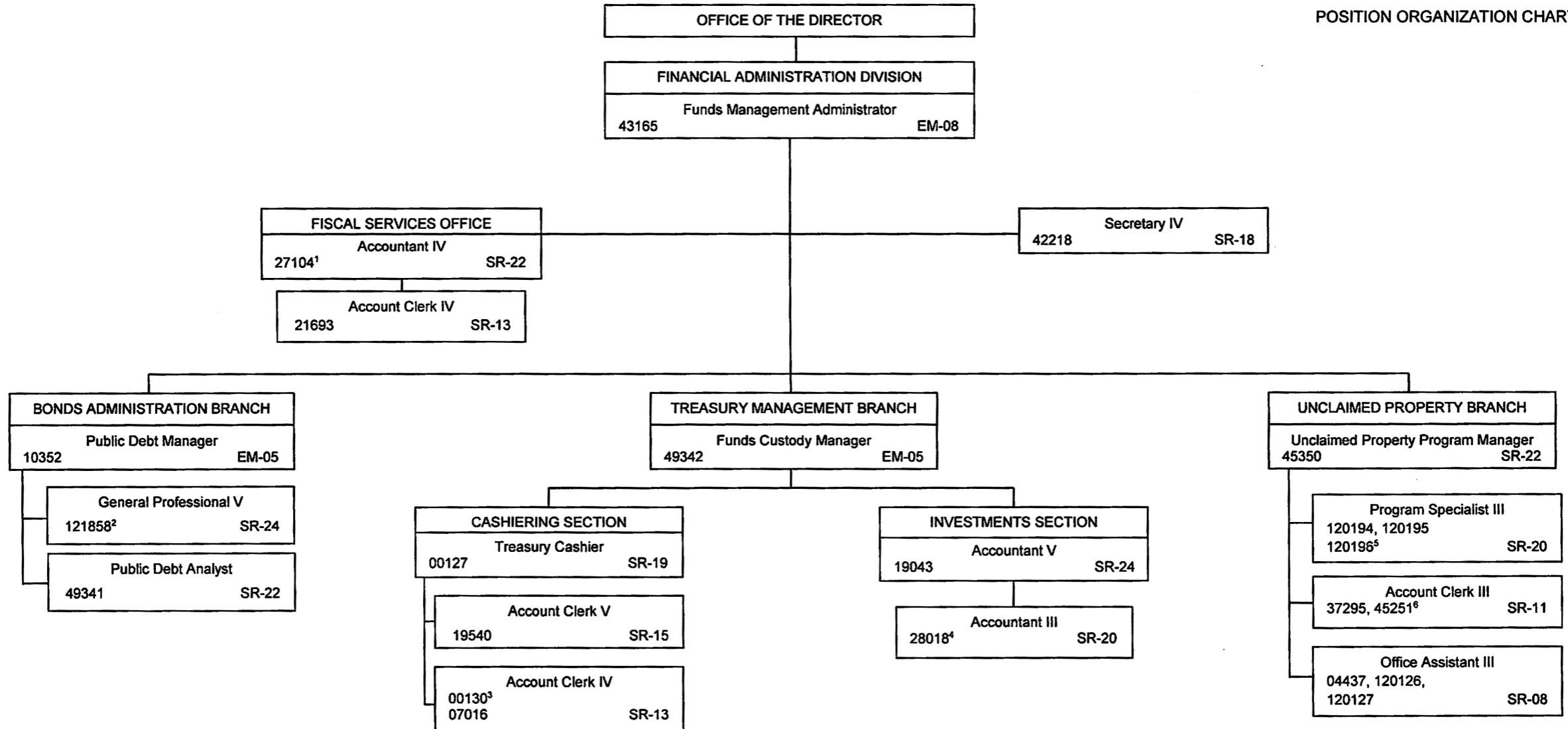
- Prepares the final financial review and makes recommendations on CIP requests to the Governor, as applicable.

Conducts and participates in the conduct of analytic studies and the documentation of findings and recommendations on policies, programs, issues, and problems in area of assignment. Participates in and recommends appropriate actions in the preparation, presentation, and implementation of plans, programs, budgets, and performance reports in area of assignment. Participates in analysis of legislative proposals and other matters dealing with activities in assigned programs. Compiles and presents information on assigned programs.

Provides technical management services, assistance, advice and support in all types of management matters in making maximum use of available and authorized management resources. Provides advice, assistance and service in improving management effectiveness within approved resource allocation levels, statutory requirements, administrative policies, etc. Plans, organizes, directs, coordinates and conducts management improvement projects.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
FINANCIAL ADMINISTRATION DIVISION

POSITION ORGANIZATION CHART



1. PN 27104, reallocated from Accountant II, SR-18 to authorized level of Accountant IV, SR-22, effective 09/29/16.
2. PN 121858 (Pseudo No. 940040), General Professional V (Public Debt Compliance Specialist), SR-24, established per Act 134, SLH 2013, effective 01/05/16.
3. PN 130, Account Clerk IV, SR-13, temporarily reallocated to Account Clerk III, SR-11, effective 05/21/15.
4. PN 28018, reallocated from Accountant II, SR-18 to authorized level of Accountant III, SR-20, effective 04/16/16.
5. PN 120196, Program Specialist III, SR-20, temporarily reallocated to Professional Trainee I, SR-16, effective 09/02/15, and then to Professional Trainee II, SR-18, effective 04/16/16.
6. PN 45251, Account Clerk III, SR-11, moved from Fiscal Services Office to Unclaimed Property Branch, effective 04/01/16.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
FINANCIAL ADMINISTRATION DIVISION

FUNCTIONAL STATEMENT

Plans, directs and coordinates the State of Hawaii's investments and financing programs. Administers the State's financial affairs including managing cash, debt and investments. Plans, markets, coordinates, reviews, monitors and administers the State's bond issues. Determines the investment policies and strategies for the State's funds. Receives, safekeeps, disburses and invests cash for the State in accordance with established policies and procedures. Serves as primary advisor in financial matters to the Governor and others. Administers the Unclaimed Property Program.

FISCAL SERVICES OFFICE

Provides the administrative fiscal support functions for the Financial Administration Division.

- Establishes and maintains the appropriation and allotment ledgers and records, reviews invoices for payment, prepares journal entries and financial statements, reconciles all bank accounts, and identifies and researches discrepancies and unexplained adjustments. Analyzes financial data for accuracy, completeness and to explain any discrepancies or significant variances.
- Supervises, reviews and/or initiates the acceptance and release, and accounting of securities pledged with this Office. Reviews and/or executes documents to evidence all deposits and withdrawals of securities. Accounts for and inventories securities held by or pledged to the Director of Finance.
- Maintains inventory records for the Division's assets including identification numbers and location. Conducts the annual physical inventory. Coordinates and prepares for the disposal of obsolete assets.
- Maintains the accounting records for the loans made to other State agencies and county governments, including following up on delinquent payments.
- Prepares and maintains the permanent accounting records of the State's bond issues which include amortization schedules, master debt service schedules and schedules of reimbursable general obligation bonds issued for special funded capital improvement projects.
- Assists bond holders of bonds and coupons in securing payment or replacement of lost, destroyed, defaced, or stolen bonds and coupons.
- Receives and reviews altered, forged and counterfeit State warrants and supporting documents, and attempts to recover funds working with the Attorney General's Office, Department of Accounting and General Services and other State departments and agencies, law enforcement agencies, banks, and the general public. Supports attorneys and court offices in matters relating to court appearances and maintains records of outstanding cases.
- Prepares the Division's budget and monitors expenditures against the budget.
- Works with other branches and sections within the Financial Administration Division to develop accounting procedures and establish accounting records for new programs and/or to meet new federal government requirements. Performs other fiscal matters as delegated.

## BONDS ADMINISTRATION BRANCH

Plans and markets the sale of bonds and non-debt instruments. Monitors existing bond issues for compliance with Federal and State laws and serves as the primary advisor to the Director of Finance on all aspects of the bond issue. Develops issuance plans relative to the CIP budget and anticipated expenditures projected by the Fiscal Services Office.

- Analyzes various bonding alternatives to determine the most effective alternative and the most reasonable timing and structuring of bond financing for the State.
- Coordinate with Fiscal Services Office the preparation and maintenance of the detail records for each bond issue which include amortization schedules, and master debt service schedule.
- Coordinate with Treasury Management Branch the investment of bond proceeds schedules and other necessary detail reports to monitor the status of the bonds and to ensure compliance with regulations.
- Monitors bond yields and conditions in the bond market. Schedules the State's bond issues and the refunding of bonds to take advantage of market conditions.
- Develops and executes a comprehensive plan for each bond issue including composing the financing team, preparing the necessary documents, determining the size of the bond issue, the yield, timing, structure, etc. Directs all activities of the bond issue working with investment banking firms, bond counsel, bond trustees, private entities and consultants, as necessary. Ensures that issues are in conformance with applicable Federal and State laws and regulations. Keeps the Director of Finance informed of pertinent issues.
- Directs the activities of and participates with other State agencies and departments in issuing revenue bonds and non-debt instruments. Provides advice, reviews bond issue documents, contracts with investment banking firms, bond counsel, etc. Recommends the action to be taken to the Director of Finance.
- Evaluates the services of investment banking firms, bond counsel, bond qualifications, fee schedules and proposals provided by various individuals/firms. Recommends and advises the Director of Finance on the composition of the bond issuance "team" to manage all aspects of the bond issue. Monitors the contract with the investment banking firm, etc., to ensure that contracted services are being provided. Advises the Director of Finance on negotiations of contracts, private placements, bids, etc.
- Provides information on completed and refunded bond issues in order to make appropriate changes to the State's short-, intermediate-, and long-range financial plans. Makes recommendations on and revisions to policies and procedures to improve future bond issues.
- Develops short- and long-term plans for general obligation bond issuances to meet anticipated capital improvement program requirements. Analyzes and reviews supporting documentation to determine the scope and priority for the issuance of the general obligation bonds.
- Accepts, reviews and administers applications and documentation for special purpose bonds.
- Studies the impact of bond issues and bond programs on the State and the respective agency.
- Evaluates requests for and recommends approval of temporary loans to other State agencies and county governments. Evaluates the capability of the agencies and

governments to repay the loan, given the available collateral, interest rate to be charged, payment amount and loan period. Establishes repayment schedule for the borrowing agency/government.

- Evaluates requests for and recommends approval of municipal leases (non-debt instrument) offered by vendors for the lease purchase of equipment and motor vehicles by state agencies. Under this financing program, the vendor provides the equipment and the financing to allow the state to take immediate possession of the equipment while making payments to cover both the principal and interest of the financing. Reviews requests for funding equipment and motor vehicles under the master lease purchase program (non-debt instrument) for completeness and accuracy and forwards completed documentation package to the contracted lessor for funding. Under this financing program, the contracted lessor pays the vendor in full and receives lease payments from the state to cover both the principal and interest portions of the financing provided by the lessor. Evaluates requests for and recommends approval of certificates of participation (non-debt instrument) funding to purchase real property. Under this financing, a trustee provides the financing that is secured by the state's lease payments.

### TREASURY MANAGEMENT BRANCH

Determines the investment policies and strategies for the State's funds. Identifies investment vehicles and evaluates alternatives. Receives, disburses and transfers funds for the State. Maintains custody of public funds and securities. Provides input relative to investments to the State's financial plans.

#### Cashiering Section

- Receives, accounts for, and maintains custody of public funds, securities, and deposits.
- Records cash receipts and disbursements and reports on cash position; reconciles checks cleared with DAGS, coordinates agency inquiries and transactions with primary depository bank.
- Coordinates and provides for the State Treasury's banking services needs.
- Processes transfers of funds to trustees banks for debt service payments, to financial institutions for investment purposes, and processes transfers for State payments through electronic means as directed.
- Records State investment transactions as directed by the Investments Section.
- Accepts custody of paid and canceled State checks, and canceled State bonds and coupons, coordinating with the appropriate state department to arrange for storage, archiving or destruction of paid and canceled checks, bonds and coupons.
- Transfers funds in coordination with Dept. of Taxation and DAGS-UARB for statutory distribution of tax collections.

#### Investments Section

- Invests bond proceeds and State funds for the State. Analyzes cash balances and cash flow projections based on significant planned inflows and outlays of cash such as payroll, bond payments, welfare and unemployment checks, bond issues, etc., and determines the amount to be invested in the various vehicles, the timing of the investments and the length of the investments.

- Monitors yields and conditions in the market, and invests the State's funds within established policies and guidelines to take advantage of the market conditions. Determines the investments for the day and directs the Cashiering Section to transfer the proper amounts to the various institutions. Reviews the work of the Cashiering Section to ensure investments are made as intended.
- Maintains expenditure details for each bond issue and tracks bond fund investment earnings details in compliance with applicable regulations.
- Prepares entries to record debt service payments and coordinate with State's paying agent bank to pay bond and coupon holders, as directed by the Bonds Administration Branch.
- Analyzes earnings on current investments and projects earnings based on historical data and present economic data. Projects the rate of return on investments based on data compiled including the amount of the investments and the interest earning. Evaluates the returns on the investments to determine if the returns are satisfactory.
- Monitors the status of existing investments to ensure compliance with Federal and State regulations and policies.
- Conducts studies to identify alternative investment vehicles and to estimate the potential return of those vehicles.
- Evaluates and recommends qualified depositories and acceptable collateral investments.
- Develops and revises the State's long-range investment strategies and determines the amount and nature of short- and long-term investments.
- Provides input to the State's financial plan and information on the investment plan and strategies.
- Recommends changes to the rules and regulations as needed to implement investment strategies. Recommends changes or additions to existing policies and procedures relating to investments.
- Serves as the primary advisor to the Director of Finance on all aspects relating to investments.
- Administers the state's 529 College Savings Program.

#### UNCLAIMED PROPERTY BRANCH

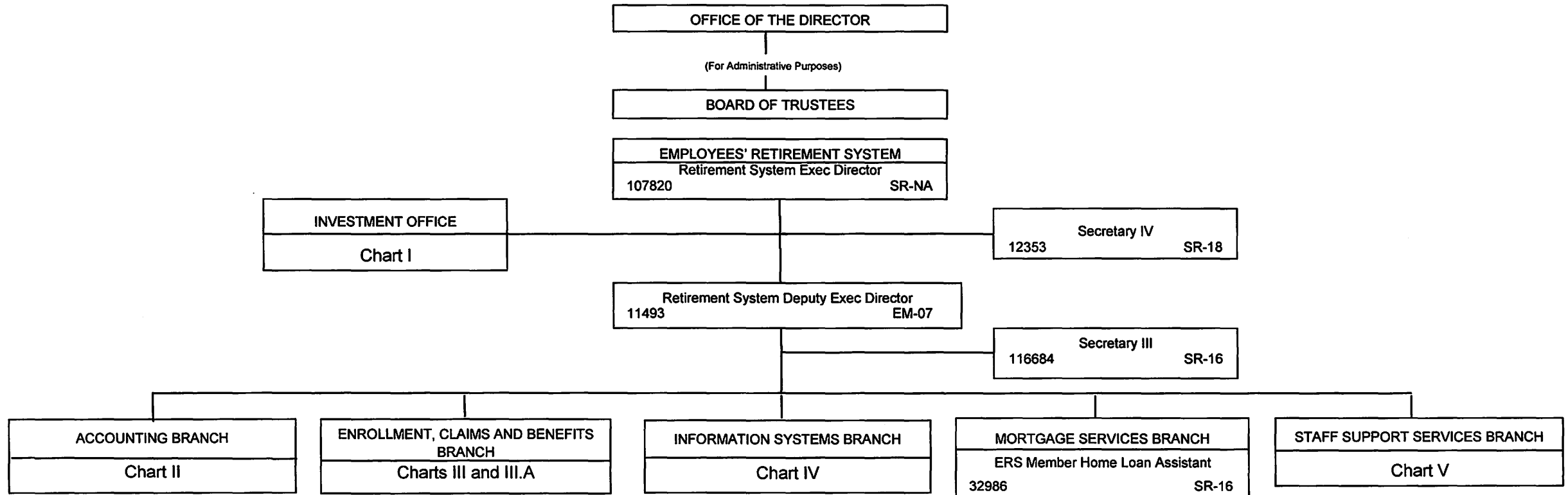
Administers the State Unclaimed Property Program pursuant to the provisions of Chapter 523A of the Hawaii Revised Statutes, Uniform Unclaimed Property Act.

- Assists potential claimants and owners of unclaimed property in processing their requests or claims. Advises owners of claims requirements to prove ownership of the property.
- Reviews all claims submittals and initiates appropriate actions that include approval or disapproval of a claim, conducts follow-up research, or seeks assistance from legal counsel.
- Receives, records and reconciles reports and remittances of unclaimed property from reporting entities.
- Maintains database records and inventory control over unclaimed properties and organizes public sales as appropriate.

- Maintains accounts held under the Director of Finance, State of Hawaii at reporting entities.
- Conducts audit of records of reporting entities to ensure compliance with statutory and program requirements as needed.
- Develops new methods and systems to improve compliance with laws and increase the return of abandoned property to owners.
- Reviews and assists in the revision of rules, regulations, policies, and procedures relating to the Unclaimed Property Program. Serves as a resource to claimants, holders of unclaimed property, and other entities.
- Processes requests for access to database records of unclaimed property from professional locators and other entities.
- Maintains and updates website property search database and website content.

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 EMPLOYEES' RETIREMENT SYSTEM

POSITION ORGANIZATION CHART

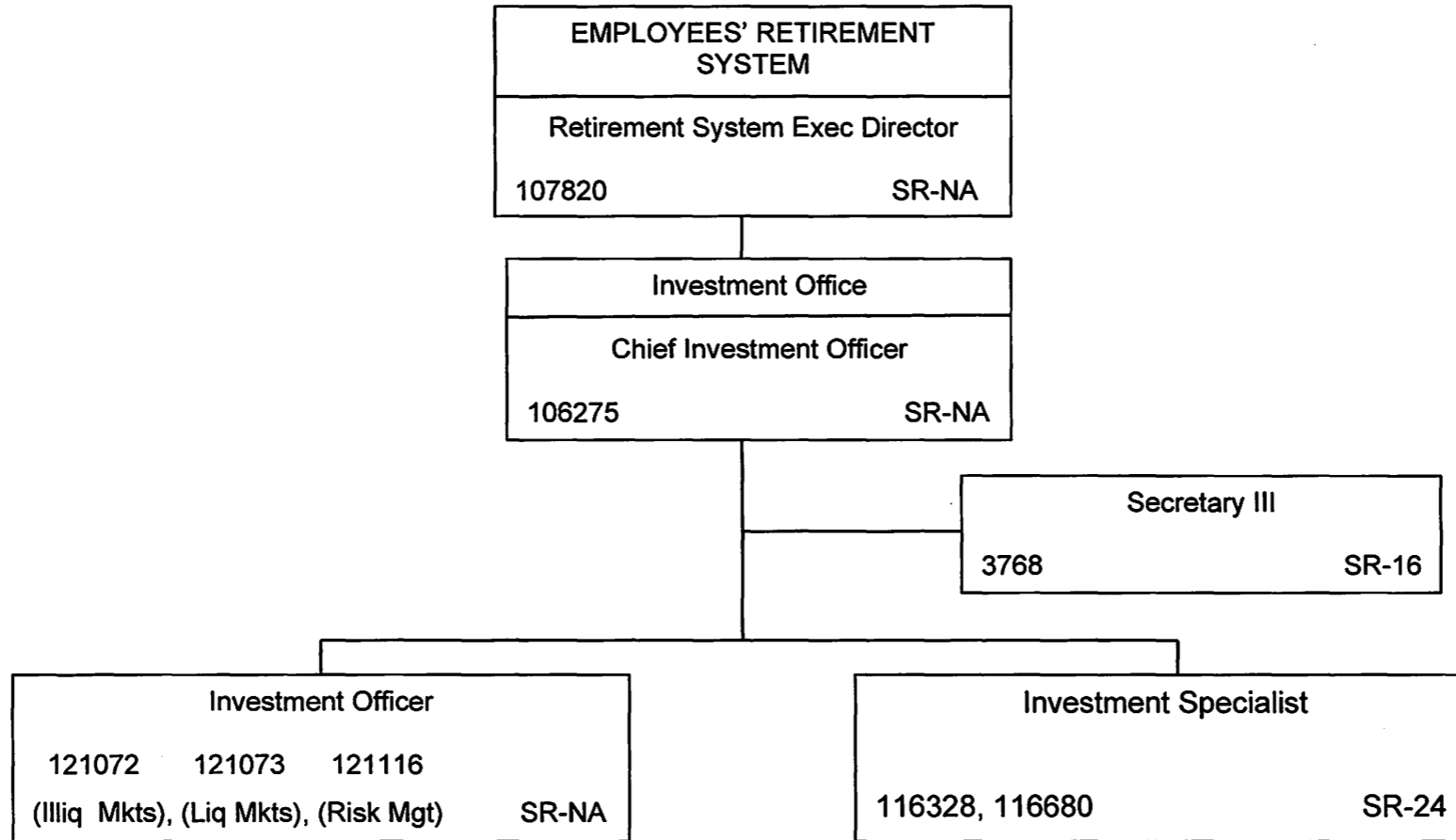


As of June 30, 2016  
 Prepared by ARO HR Staff  
 Date Prepared: August 2, 2016



STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 EMPLOYEES' RETIREMENT SYSTEM  
 INVESTMENT OFFICE

POSITION ORGANIZATION CHART

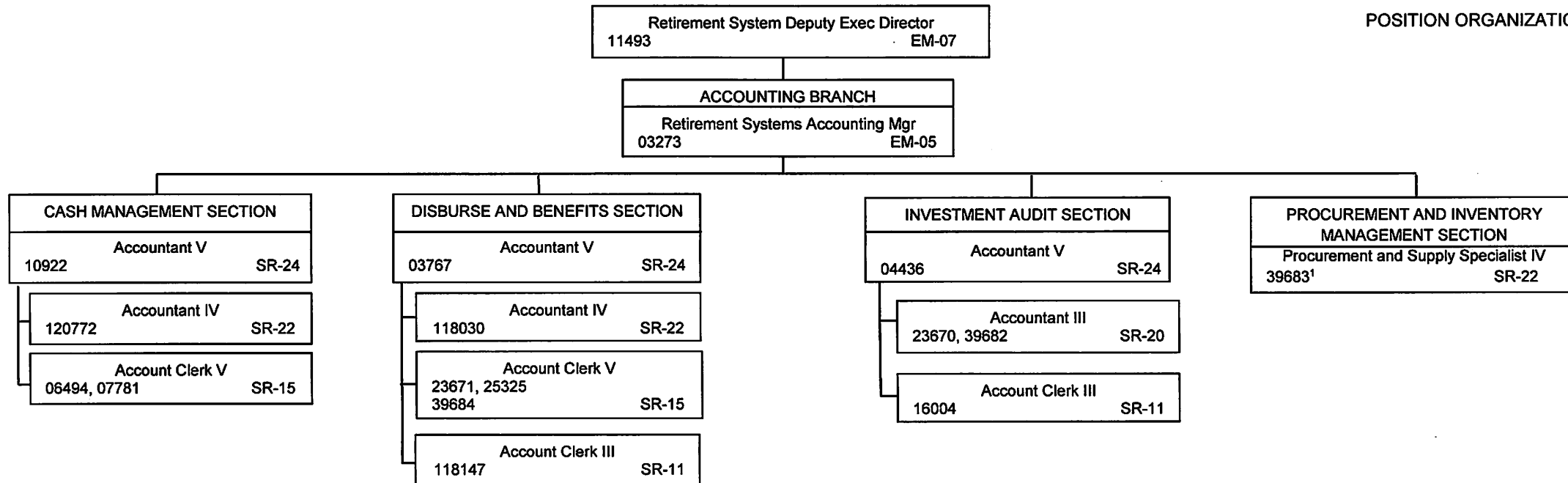


As of June 30, 2016  
 Prepared by ARO HR Staff  
 Date Prepared: August 2, 2016

Chart I

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
EMPLOYEES' RETIREMENT SYSTEM  
ACCOUNTING BRANCH

POSITION ORGANIZATION CHART

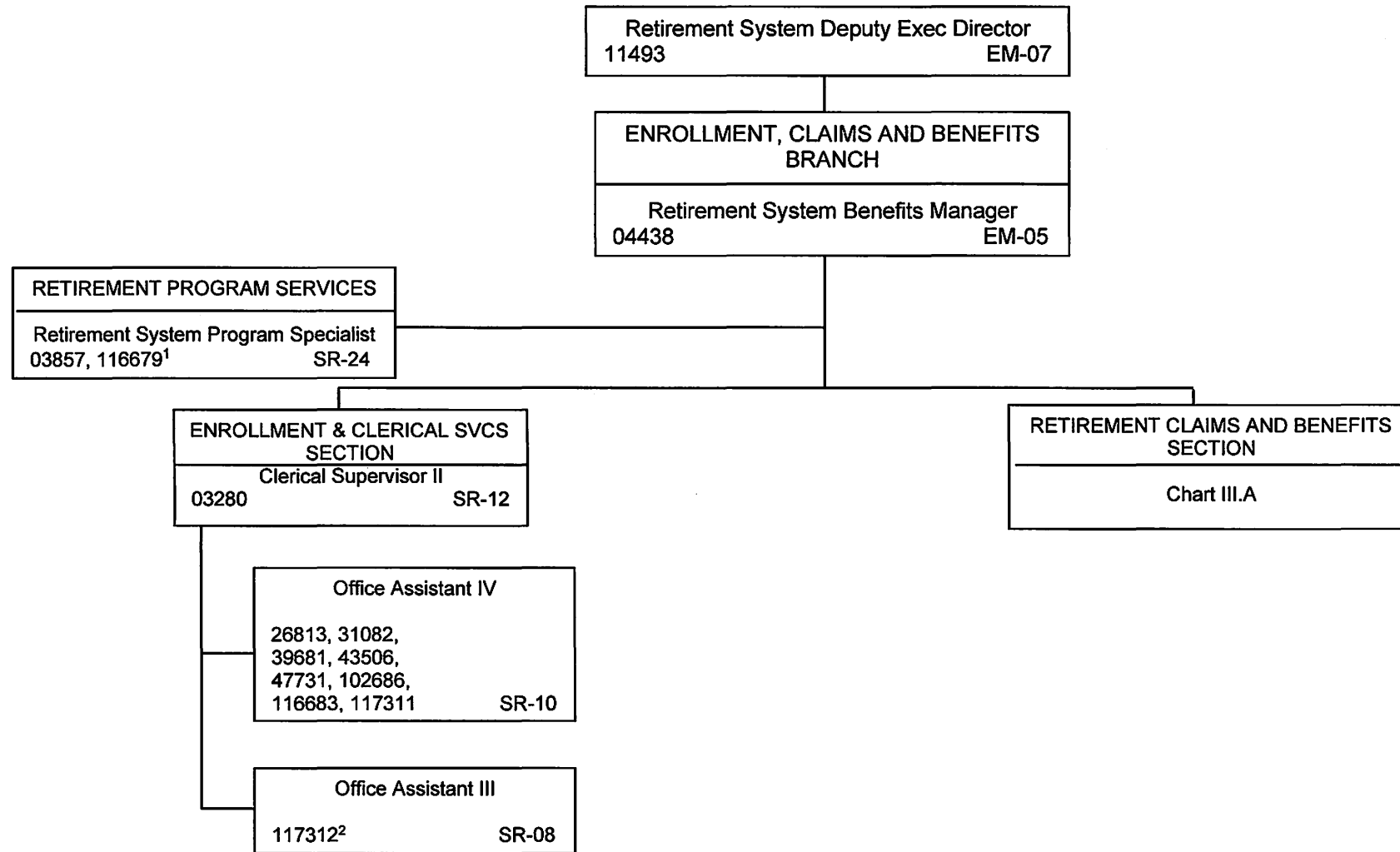


1. PN 39683, temporarily reallocated from Procurement and Supply Specialist (PSS) IV, SR-22 to PSS III, SR-20, effective 06/08/15.

June 30, 2016  
Prepared by ARO HR Staff  
Date Prepared: August 2, 2016

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
EMPLOYEES' RETIREMENT SYSTEM  
ENROLLMENT, CLAIMS AND BENEFITS  
BRANCH

POSITION ORGANIZATION CHART

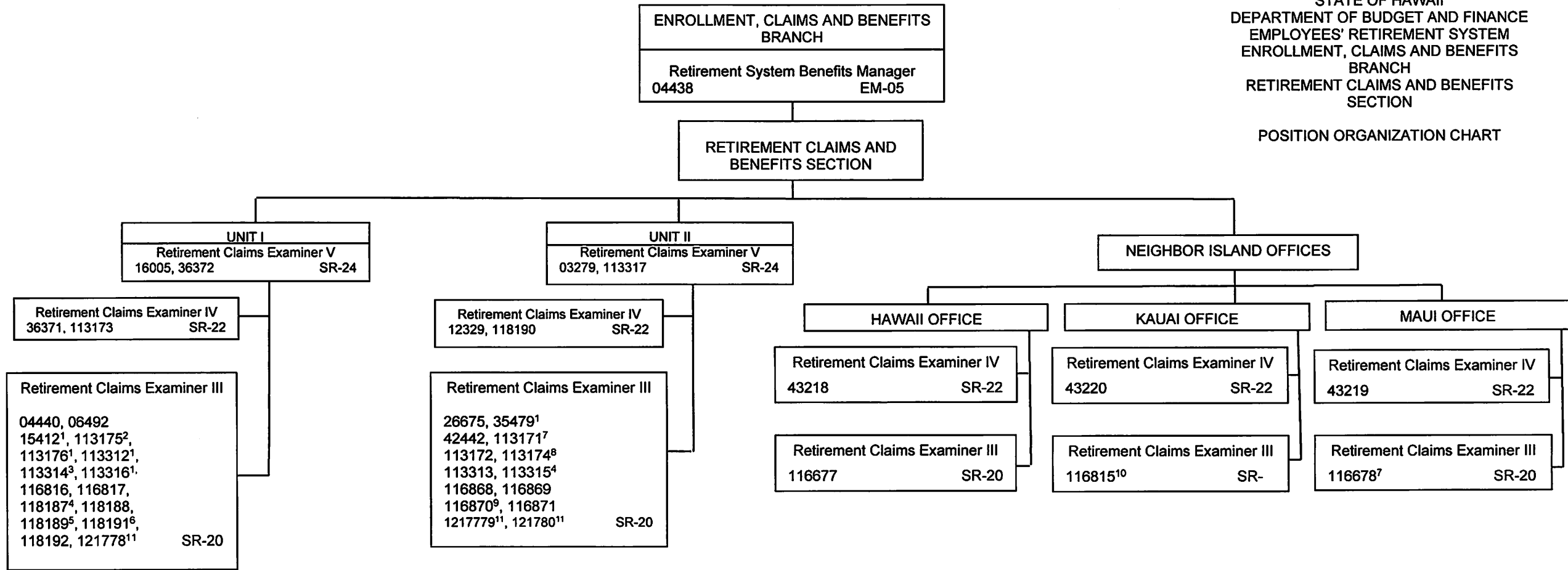


1. PN 116679, Retirement System Program Specialist, SR-24, detailed from Enrollment, Claims and Benefits (EC&B) Branch to under the direct supervision of PN 107820, Retirement System Executive Director, effective December 2011.
2. PN 117312, Office Assistant III, SR-08, temporary, NTE 06/30/16. Position detailed from EC&B Branch to under the direct supervision of PN 3273, Retirement Systems Accounting Manager, effective 11/21/13.

As of June 30, 2016  
Prepared by ARO HR Staff  
Date Prepared: August 2, 2016

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 EMPLOYEES' RETIREMENT SYSTEM  
 ENROLLMENT, CLAIMS AND BENEFITS  
 BRANCH  
 RETIREMENT CLAIMS AND BENEFITS  
 SECTION

POSITION ORGANIZATION CHART

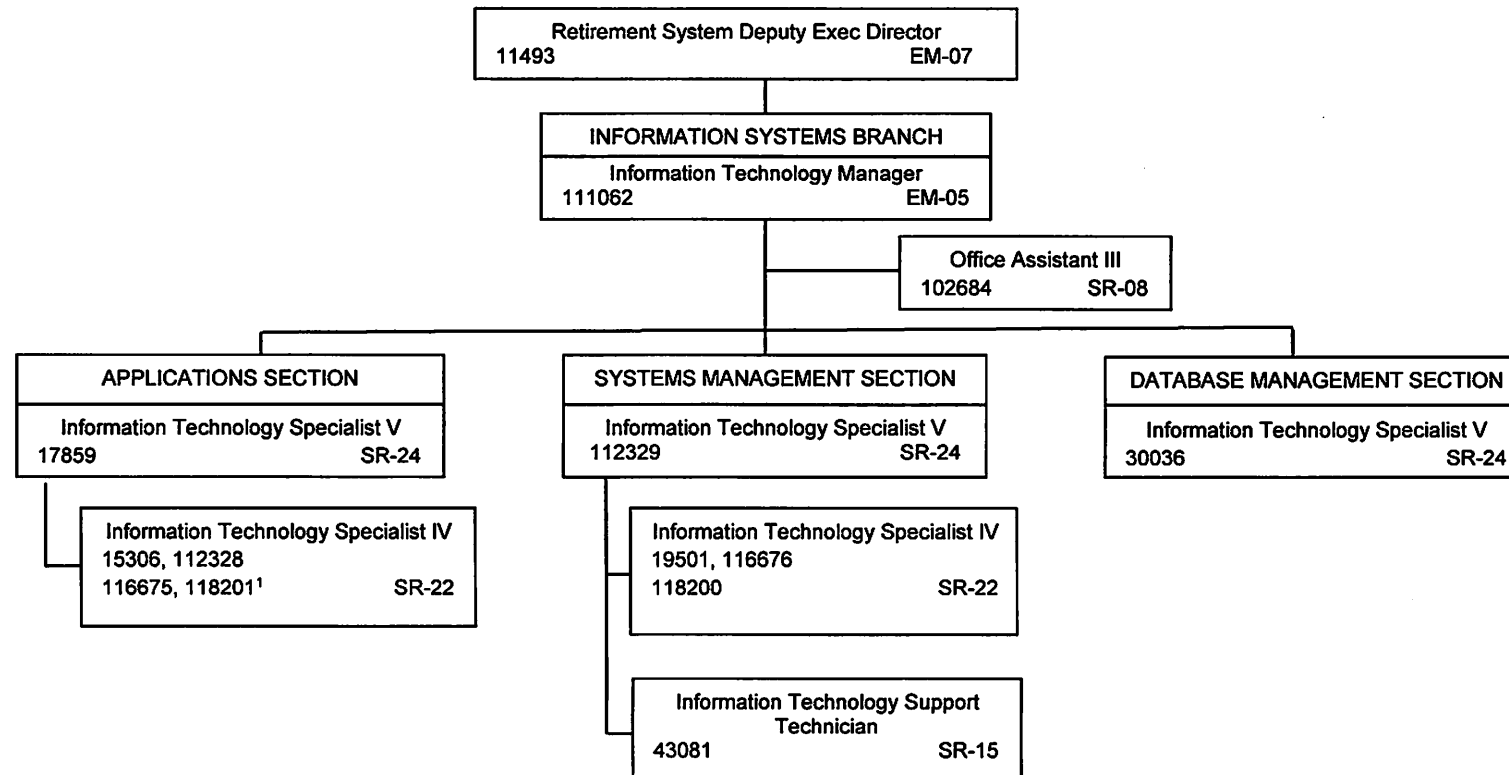


1. PNs 35479, 15412, 113176, 113312 and 113316, Retirement Claims Examiner (RCE) III, SR-20, temporarily reallocated to RCE II, SR-18, effective 08/01/15.
2. PN 113175, RCE III, SR-20, temporarily reallocated to RCE I, SR-16, effective 07/16/14.
3. PN 113314, reallocated from RCE II, SR-18 to the authorized level of RCE III, SR-20, effective 03/01/16.
4. PNs 113315 and 118187, reallocated from RCE II, SR-18, to the authorized level of RCE III, SR-20, effective 12/01/15.
5. PN 118189, RCE III, SR-20, temporarily reallocated to RCE I, SR-16, effective 10/09/14.
6. PN 118191, RCE III, SR-20, temporarily reallocated to RCE II, SR-18, effective 04/13/15.
7. PNs 113171 and 116678, RCE III, SR-20, temporarily reallocated to RCE II, SR-18, effective 12/01/15.
8. PN 113174, RCE III, SR-20, temporary reallocated to RCE I, SR-16, effective 01/02/15.
9. PN 116870, RCE III, SR-20, temporary reallocated to RCE I, SR-16, effective 05/21/15.
10. PN 116815, RCE III, SR-20, temporary reallocated to RCE I, SR-16, effective 04/27/15.
11. PNs 121778 (Pseudo No. 96002O), 121779 (Pseudo No. 96003O) and 121780 (Pseudo No. 96004O) established effective 07/01/15 as RCE III, SR-20, per Act 119, SLH 2005; and temporarily reallocated to RCE I, SR-16, with the same effective date.

As of June 30, 2016  
 Prepared by ARO HR Staff  
 Date Prepared: August 2, 2016

Chart III. A

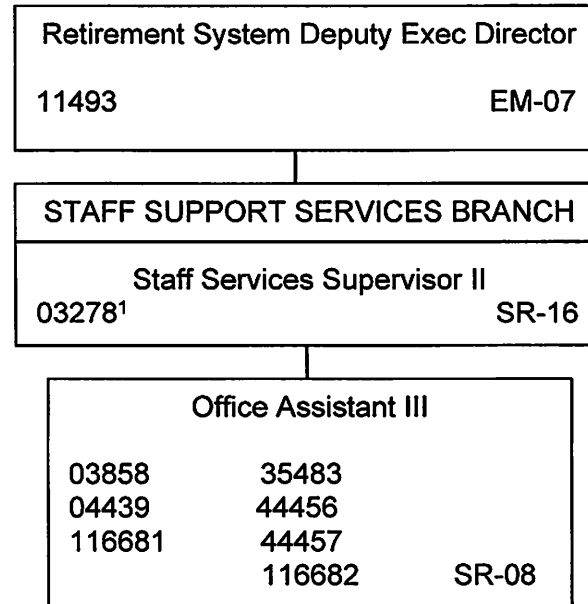
STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 EMPLOYEES' RETIREMENT SYSTEM  
 INFORMATION SYSTEMS BRANCH  
 POSITION ORGANIZATION CHART



1. PN 118201, Information Technology Specialist IV, SR-22, temporarily reallocated to Information Technology Specialist III, SR-20, effective 04/07/16.

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 EMPLOYEES' RETIREMENT SYSTEM  
 STAFF SUPPORT SERVICES BRANCH

POSITION ORGANIZATION CHART  
 STAFF SUPPORT SERVICES BRANCH



1. PN 3278 temporarily reallocated from Staff Support Supervisor II, SR-16, to Staff Services Assistant I, SR-14, effective 06/13/16.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
EMPLOYEES' RETIREMENT SYSTEM

FUNCTIONAL STATEMENT

Under the policy and executive direction of its Board of Trustees, the Employees' Retirement System (ERS) plans, directs and coordinates a statewide retirement benefits program for State and County government employees; submits reports on ERS activities and investment performance to the Board; reviews and analyzes new investment proposals and makes recommendations to the Board; administers the ERS Member Home Loan Program; coordinates a comprehensive program to inform the membership and public-at-large of the ERS' activities, plans, and accomplishments; and coordinates activities relating to studies, research, drafting, preparation, and presentation of legislative proposals and testimonies.

INVESTMENT OFFICE

The Investment Office is responsible for planning, organizing, and administering the investment-related activities of the Employees' Retirement System in accordance with approved policy guidelines and applicable Hawaii Revised Statutes.

- Oversee the Employees' Retirement System's investments in domestic stocks, domestic bonds, foreign stocks, foreign bonds, real estate, commercial mortgages, alternative investments, timber farming, and short-term cash investments.
- Monitor, evaluate, and review investment manager performance and compliance with investment policies and procedures and contractual guidelines.
- Oversee development of criteria for and implementation of searches for investment managers and investment consultants as necessary.
- Oversee the formulation, evaluation, and implementation of the Employees' Retirement System's investment policies and procedures.
- Oversee development and implementation of asset allocation and risk management strategies designed for the investment portfolio of the Employees' Retirement System.
- Oversee the development of educational and training programs for the Trustees and staff of the Employees' Retirement System.
- Oversee drafting of legislative proposals, testimonies and administrative rules, and procedures on matters dealing with the investment programs of the Employees' Retirement System.

ACCOUNTING BRANCH

The Accounting Branch conducts its financial affairs outside of the State Treasury and is responsible for the budgeting, accounting, and safeguarding of all assets in the ERS investment portfolio and for the processing of retirement benefit payments to ensure compliance with the applicable sections of the Hawaii Revised Statutes, Title Six of the Hawaii Administrative Rules, federal laws, and the generally accepted accounting principles.

The Accounting Branch also serves as the primary resource for ERS on all matters and the full range of activities for its informal and formal procurement of goods and services, contracts administration, and inventory management.

### Cash Management Section

- Manages the ERS' cash by investing in domestic and global short-term investments to maximize earnings while maintaining sufficient resources to satisfy retirement benefit payments and operating expenses.
- Develops and prepares budget, expenditure plans, variance reports, and other reports to legislative committees.
- Audits and accounts for the ERS' non-custodized assets including real estate, Member Home Loan Program, commercial loans, index funds, emerging market funds, alternative investments, daily deposits, and other in-house transactions.
- Ensures the collection and deposit of all funds are received in accordance with the Hawaii Revised Statutes and contractual agreements.
- Maintains computerized general ledger accounting system and insures that the annuity savings, pension payroll, investment accounting, and bank reconciliation computer sub-systems are in balance with the subsidiary records.
- Prepares cash flow projections to determine excess cash positions for long-term reinvestment.
- Coordinates and prepares monthly and annual comprehensive financial reports.

### Disbursements and Benefits Section

- Examines and audits claims for retirement, disability, and death benefit payments.
- Reviews, processes, and generates payments for semi-monthly retirement benefits and administrative expenses.
- Withholds and processes the authorized amounts from the retirees for payments to the Internal Revenue Service, Health Fund, Child Support Enforcement Agency, retiree union organizations, and other court-ordered payments.
- Audits, processes, and records employee contribution refund payments.
- Reviews and accounts for retirement contributions, salary, and service credit data for active members.
- Coordinates the Social Security program for the State and counties.
- Reviews and interprets the federal income tax laws affecting pension benefits distributed from a qualified trust as defined in the Internal Revenue Code, Section 401(a), and provides expertise on the taxability of those benefits.
- Generates tax informational returns (1099-R) to benefit recipients.
- Researches and provides verification of pensioner's retirement benefits and employee account balances used to qualify for mortgage loans and governmental housing assistance programs.



### Investment Audit Section

- Audits and accounts for the domestic and global investments of the ERS portfolio.
- Ensures that all interest, dividend, and other investment earnings are properly accounted for, properly computed, and received on a timely basis.
- Measures and analyzes the ERS' investments in relation to economic and financial market trends.
- Performs compliance monitoring of investments in accordance with policies established by the Board of Trustees.
- Maintains control over and reconciles the various bank accounts on a monthly basis.
- Audits and accounts for unclaimed pension and death benefit payments.

### Procurement and Inventory Management Section

- Oversees, coordinates, and monitors the formal and informal procurement of a wide variety of goods and services for the ERS.
- Provides technical and other guidance in the full range of activities relating to purchasing.
- Ensures that the ERS complies consistently with all applicable procurement laws, rules, regulations, policies and practices in ERS-wide procurement activities.
- Serves as the ERS' point-of-contact to vendors, legal counsel, interested parties and general public in all matters relating to ERS purchases of goods and services.
- Serves as the ERS' primary resource on contracting methods and practices relating all areas of procurement and contracts
- Serves as the ERS' coordinator for the State of Hawaii Inventory System for the accountability of State property and as the primary property custodian.
- Assist pertinent personnel in following proper procedures for reporting inventory on a timely basis and for the proper disposal of the ERS' physical assets.

### ENROLLMENT CLAIMS AND BENEFITS BRANCH

The Enrollment, Claims, and Benefits Branch plans and coordinates the retirement program for State and county employees and retirees; conducts statewide pre-retirement counseling sessions; reviews Medical Board and hearing officers' decisions on disability cases; participates in the development of program plans, rules and regulations, policies, and procedures.

### Retirement Program Services

- Plans, develops, and conducts pre-retirement and informational sessions throughout the State.
- Researches, drafts, and reviews legislative measures affecting retirement benefits.
- Assists in the development and enhancement of the retirement benefits computer systems.

### Enrollment and Clerical Services Section

- Enrolls members into the appropriate retirement plan and processes membership enrollment changes.
- Processes service and disability retirement applications.
- Prepares death claims for processing and subsequent payment.
- Processes tax withholding, bank assignment, address, and other pension changes for retirees.
- Provides clerical support for the Branch and Medical Board.
- Responds to general telephone inquiries and requests.

### Retirement Claims and Benefits Sections I, II, and Neighbor Island Offices

- Provides counseling services and information regarding retirement, disability and death benefits, taxes, and contributions.
- Processes applications for refund of employee contributions.
- Examines, develops, computes, adjudicates, authorizes, and reconsiders all claims and applications for retirement, disability, and death benefits.
- Calculates and authorizes retroactive pension payments after the member's retirement claim has been finalized.
- Examines, approves, and calculates members' requests to purchase past membership service credits.
- Prepares death claims for processing and subsequent payment.
- Reviews and authorizes refunds of contributions to members who terminate service or transfer into another membership class upon their return to service.
- Reviews Medical Board reports and hearing officers' recommended decisions on disability cases on appeals and prepares recommendation to the ERS Board of Trustees.

### INFORMATION SYSTEMS BRANCH

The Information Systems staff plans, develops, and maintains and supports ERS' computer, hardware, software, networking, telecommunication, etc. needs. This branch maintains and supports the Pension Management System and Accounting System, as well as applicable applications such as Microsoft Office, Email, etc. These systems integrate the major sub-systems of the ERS, and coordinates computer programming activities with other State and County payroll and personnel systems, the Employer Union Trust Fund (EUTF), bank custodians, unions, and other organizations. This includes the role of Chief Security Officer who is responsible for developing, implementing, and maintaining ERS' security policies and procedures. In addition, with the cooperation of the other branches and staff, develops, implements, and maintains ERS' business continuity plan.

#### Applications Section

- Works with various vendors to develop, implement, and maintain ERS' systems and applications.

- Plans, acquires, implements, and maintains upgrade/migration of applications / software.
- Develops, coordinate, and/or maintain special programs, queries, and reports.
- Implements and trains users on new and upgraded applications/software.
- Troubleshoots for software and hardware problems.
- Plans, implements, and maintains the ERS' intranet and internet websites.
- Maintains and tracks helpdesk requests to assist ERS staff with application/software problems.
- Coordinates computer interface with Unions, Department of Health, State and County payroll and personnel systems, and the ERS offices on the neighbor islands, etc.

### Systems Management Section

- Plans, acquires, implements, and maintains upgrade/migration of computer hardware, network equipment, phone and fax lines, etc.
- Plans, implements, and maintains computer system security.
- Designs, implements, and maintains the network and telecommunications infrastructure between ERS and the other systems.
- Analyzes and develops procedures for back-up, reorganization, and reconfiguration of system.
- Troubleshoots for software and hardware problems.
- Maintains and tracks helpdesk requests to assist ERS staff with computer hardware, networking, and telecommunication problems.
- Operates and maintains ERS' servers, computers, laptops, network equipment, telecommunication equipment, printers, copiers, etc.

### Database Management Section

- This section will be responsible for part or all of the following: designing, implementation, maintenance, documentation, development of standards, and security of databases. This includes installing software, defining requirement parameters for database definition, analyzing data volume and space requirements, performing database and parameter tuning, executing database backups and recoveries, monitoring database requirements, verifying integrity of data in database and coordinates the transformation of logical structures to properly performing physical structures. Also develops, executes and manages various database queries.

### MORTGAGE SERVICES BRANCH

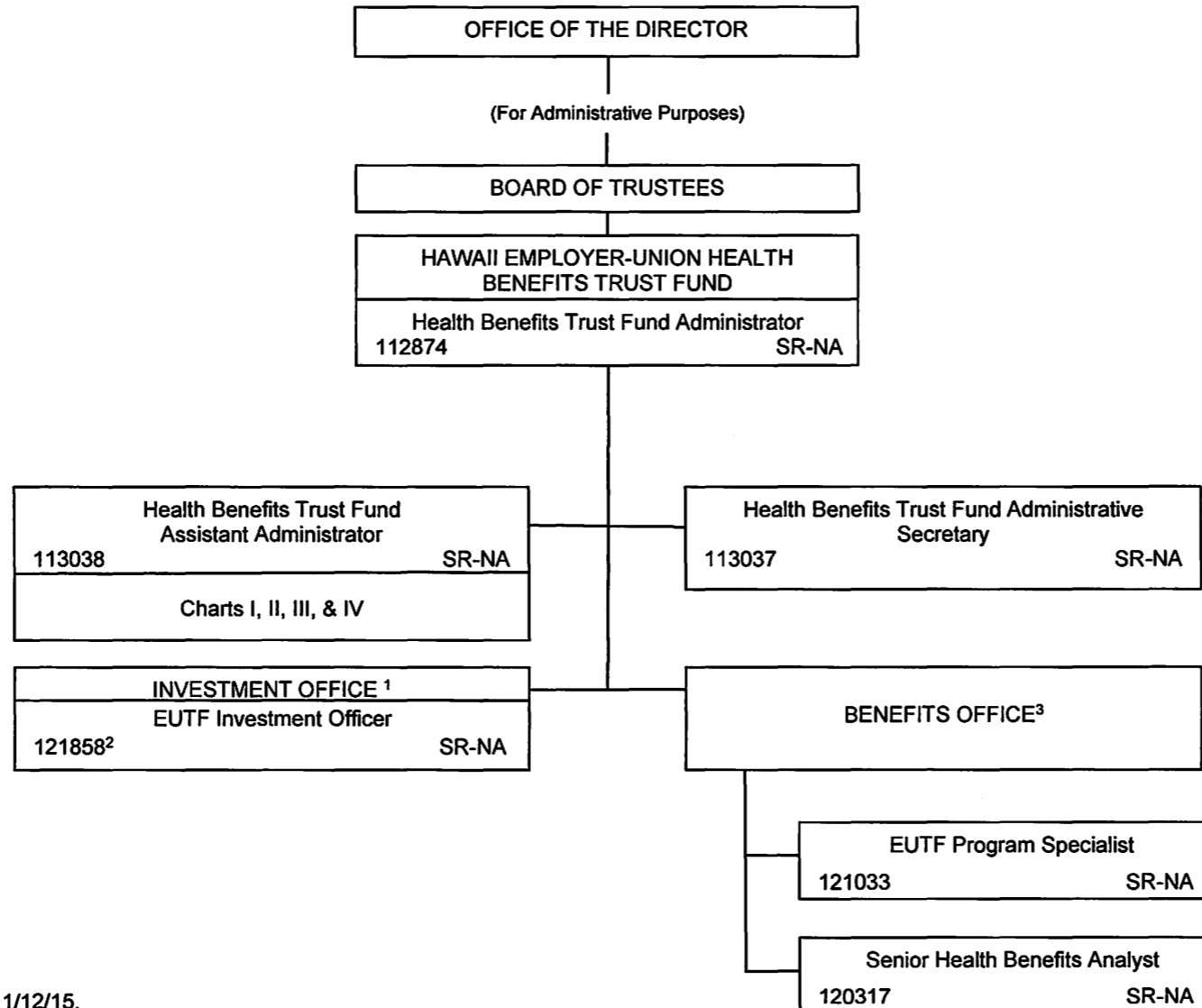
The Mortgage Services Branch plans and coordinates the investment activities of the Member Home Loan Program; develops program rules and regulations, policies and procedures. Coordinates procurement activities and prepares Request for Proposals for investment consulting, bank custody, actuarial, computer, medical, and other services to be provided to the ERS. Prepares contracts and contract amendments to reflect proper terms and conditions.

## STAFF SUPPORT SERVICES BRANCH

The Staff Support Services Branch plans and coordinates administrative, office, and records management activities for the ERS; participates in the development of program plans, rules and regulations, policies, and procedures.

- Provides administrative and office services support including personnel functions, typing, responding to general telephone inquiries and requests, and other office functions.
- Disseminates general information and assists members in filing claims for refund of contributions, changes in beneficiary, changes in addresses and bank assignments, federal withholding tax changes, requests for retirement benefit estimates, etc.
- Processes and mails pension checks and statements to approximately 2,500 out of 33,304 retirees (30,804 retirees are in the ACH direct bank deposit program) on a semi-monthly basis.
- Maintains membership records for over 141,000 individuals and coordinates the storage and transfer of inactive files to the Archives Division in the Department of Accounting and General Services.
- Reviews and inputs data into the Membership Information Computer System.

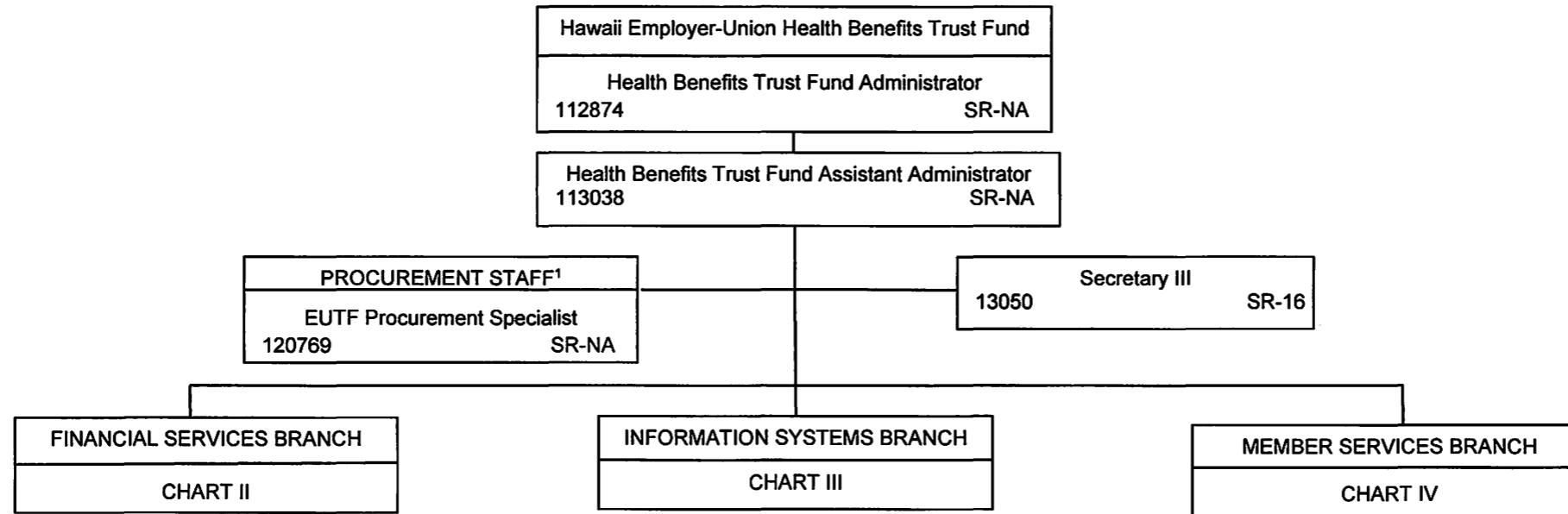
STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
 POSITION ORGANIZATION CHART



1. Investment Office established effective 11/12/15.
2. PN 121858 (Pseudo No. 96005O), EUTF Investment Officer, SR-NA established effective 04/26/16 per Act 119, SLH 2015.
3. Benefits Office established effective 11/12/15.

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
 ASSISTANT ADMINISTRATOR

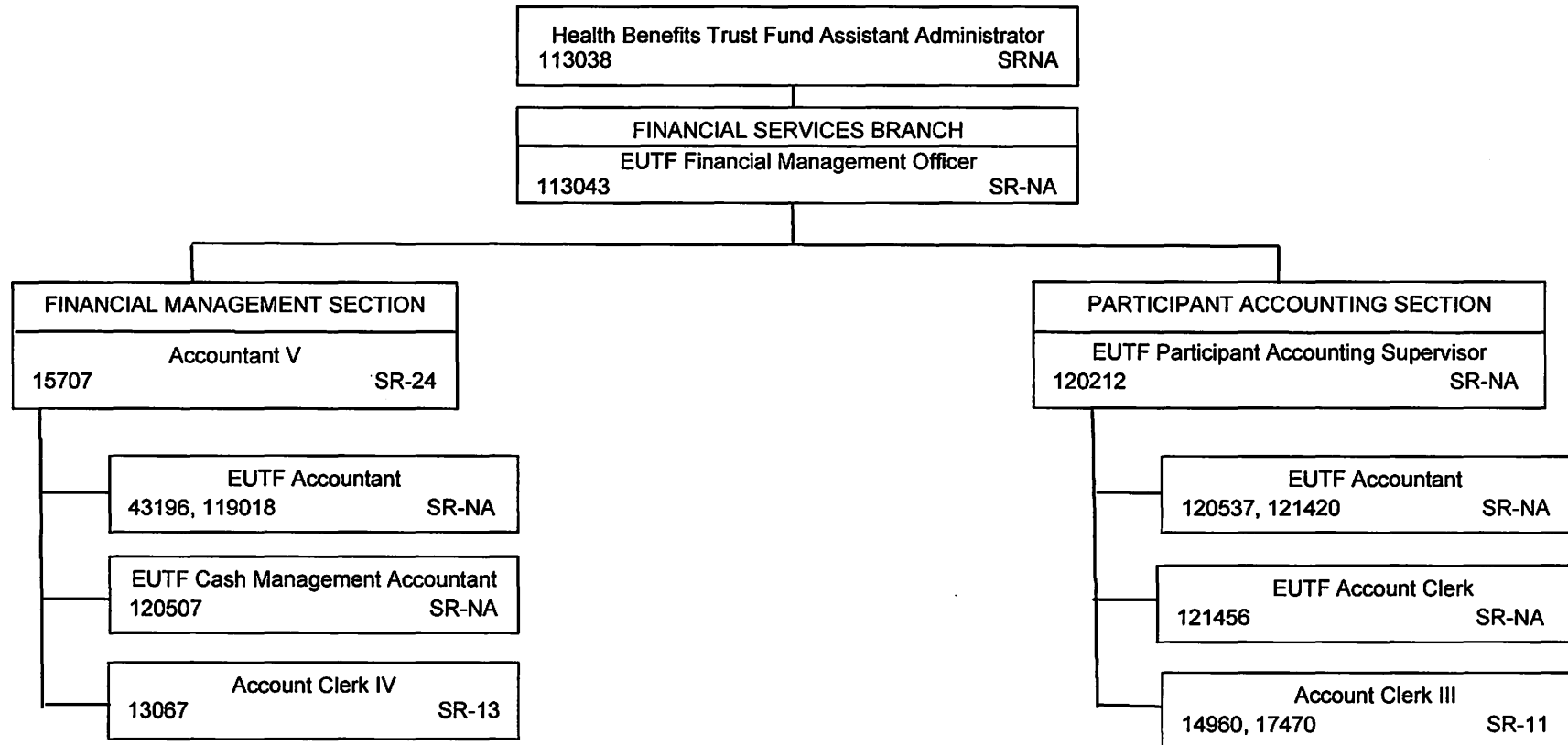
POSITION ORGANIZATION CHART



1. Procurement Staff established effective 11/12/15.

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
 FINANCIAL SERVICES BRANCH

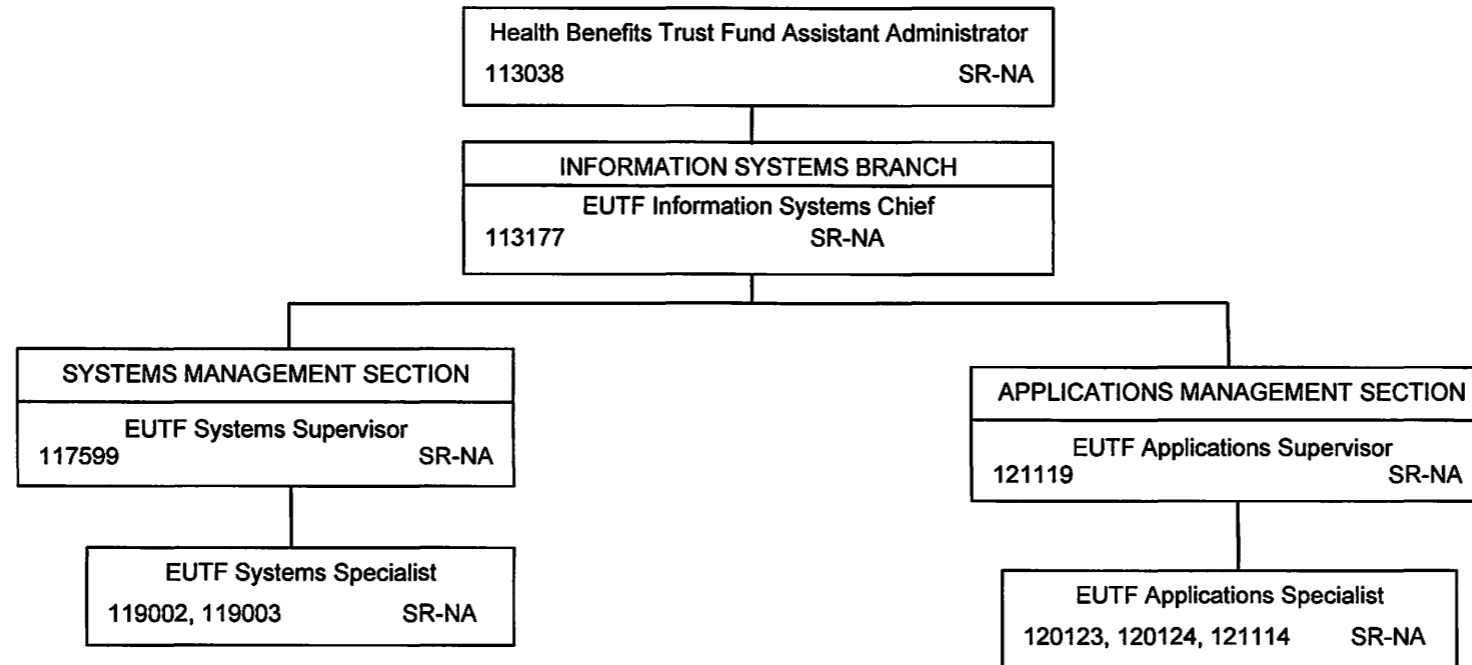
POSITION ORGANIZATION CHART



As of June 30, 2016  
 Prepared by ARO-HR Staff  
 Date Prepared: August 2, 2016

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
INFORMATION SYSTEMS BRANCH

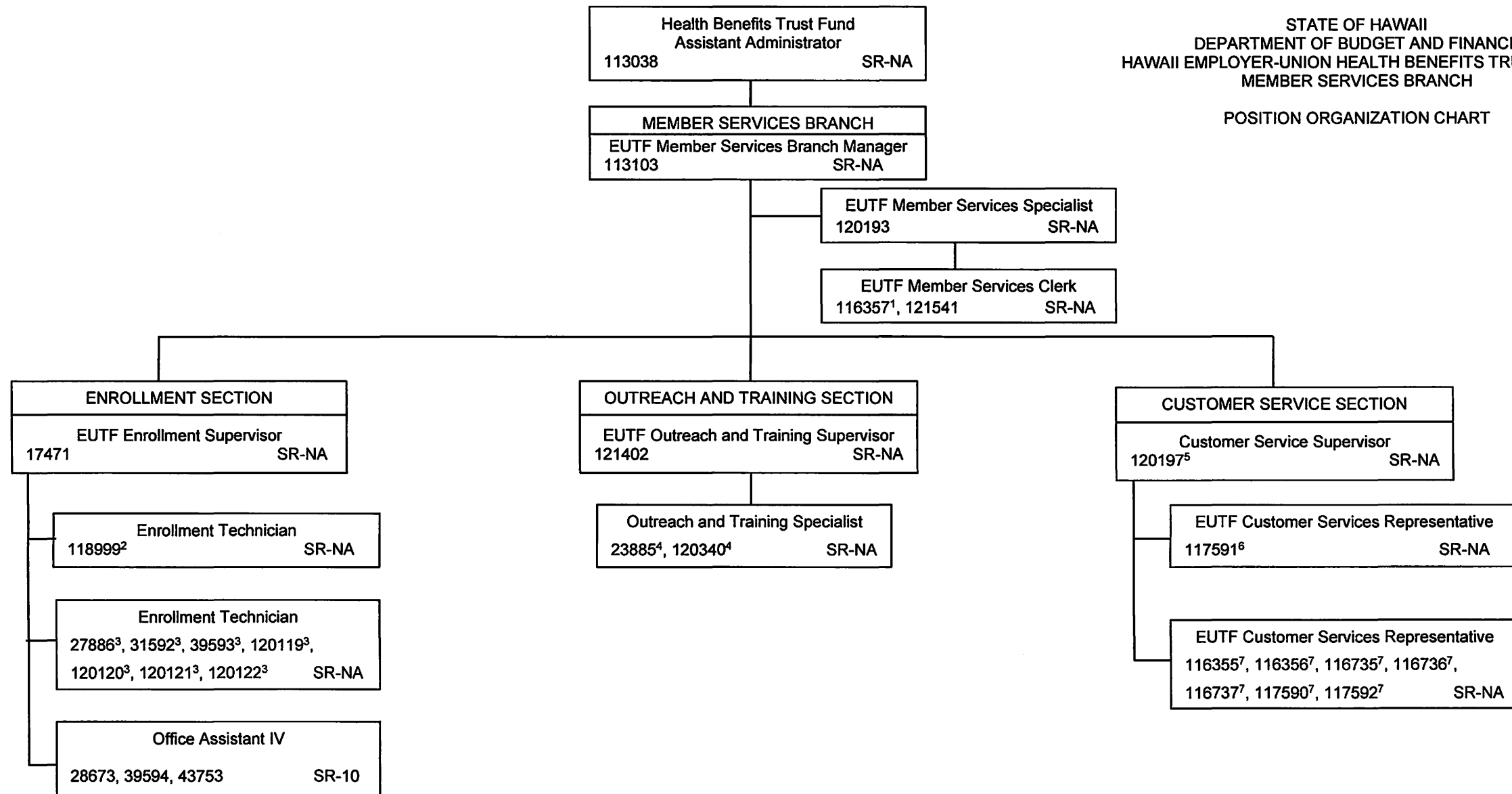
POSITION ORGANIZATION CHART



As of June 30, 2016  
Prepared by ARO-HR Staff  
Date Prepared: August 2, 2016



STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
MEMBER SERVICES BRANCH  
POSITION ORGANIZATION CHART



1. PN 116357, Member Services Clerk, SR-NA, to be retitled to EUTF Member Services Clerk, SR-NA
2. PN 118999 to be varied from Enrollment Technician, SR-NA, to EUTF Enrollment Technician II, SR-NA.
3. Positions to be retitled from Enrollment Technician, SR-NA, to EUTF Enrollment Technician I, SR-NA.
4. Positions to be retitled from Outreach and Training Specialist, SR-NA, to EUTF Outreach and Training Specialist, SR-NA.
5. PN 120197 to be retitled from Customer Service Supervisor, SR-NA, to EUTF Customer Service Supervisor, SR-NA.
6. PN 117591 to be varied from EUTF Customer Service Representative, SR-NA, to EUTF Customer Service Representative II, SR-NA.
7. Positions to be retitled from EUTF Customer Service Representative to EUTF Customer Service Representative I, SR-NA.

As of June 30, 2016  
Prepared by ARO-HR Staff  
Date Prepared: August 2, 2016

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

FUNCTIONAL STATEMENT

Under the policy and executive direction of its ten-member Board of Trustees, provides health and life insurance benefits for eligible State and county active and retired public employees and dependents at a cost affordable to both the public employers and the public employees. The Board relies on the services of a benefit plan consultant, Deputy Attorney General, and Administrator and staff to operate the program.

The Board develops, contracts for, implements, and administers the health benefits and group life insurance plans and collects and invests money on behalf of the fund; establishes and adopts rules which include eligibility requirements; furnishes information on benefit plans; reviews and renders decisions on petitions for declaratory rulings and/or appeals and contracts for financial and/or claims audits of its insurance carriers.

Under the direction of the Administrator, the Hawaii Employer-Union Health Benefits Trust Fund (EUTF):

- Supports the Board of Trustees by planning, developing, and implementing the policies, practices, and operations of the EUTF to insure that all financial and strategic objectives and goals are met, while maintaining compliance with applicable governmental regulations.
- Liaises with insurance carriers, trustees, legislators, and State and county department directors.
- Provides direction and guidance to the overall daily operations of the EUTF.
- Plans, organizes, coordinates, and directs work of the organization to meet program goals and objectives.
- Directs and manages all EUTF work centers and staff.

**BENEFITS OFFICE**

The Benefits Office reviews health benefit plan designs annually; monitors, develops and implements programs with third parties to address rising healthcare costs (e.g. disease management programs); plans, organize, coordinates and implements audits to ensure that claims are processed in accordance with contract provisions and only eligible members are enrolled in EUTF plans; develops educational programs to assist the membership in understanding their benefits to contain costs; provides oversight in the implementation of new plans and the transition of benefit providers; and ensures that health benefit plans comply with federal and state laws and regulations.

**INVESTMENT OFFICE**

The Investment Office plans, organizes and conducts all investment-related activities of the EUTF in accordance with approved investment policies and procedure, and legal requirements. The functions include but are not limited to the oversight of the investment consultant, investment managers, and custodian; development, implementation, monitoring and updating of the investment policy and asset allocation.

## FINANCIAL SERVICES BRANCH

The Financial Services Branch conducts its financial affairs independent of the State Treasury and the Department of Accounting and General Services (DAGS) and is responsible for the budgeting and fiscal administration of various health benefits and group life insurance programs to ensure compliance with the applicable sections of the Hawaii Revised Statutes, Administrative Rules, federal laws, and the generally accepted accounting principles.

### Financial Management Section

- Reviews, develops and implements policy and procedural changes to improve the internal control over the receipt, recording, expending, and reporting of Accounting Activities.
- Promotes sound financial services decisions in EUTF activities to enhance business practices and preclude fraud, waste, and abuse.
- Reviews and audits the daily cash receipt transaction, cash disbursement transactions, and the reconciliation of all bank accounts.
- Prepares and processes all payments to vendors and employee-beneficiaries, carriers, and administrative expenses.
- Reviews, processes, and generates payments for quarterly Medicare Part B reimbursements, refunds to employee-beneficiaries, carriers, and administrative expenses.
- Reviews, processes, and generates monthly billings to employers for health plan and life insurance coverages for their active employees and retirees.
- Oversee the transactions and operations of the EUTF General Ledger Accounting System to ensure timeliness, accuracy, and integrity which includes ensuring that all transactions are accurate, properly posted, and properly accounted for in the general ledger.
- Reviews, reconciles, and audits the EUTF general ledger accounts.
- Records, reconciles and analyzes monthly employee and employer contributions due for health plan and life insurance coverages.
- Coordinates the review and audit of the Medicare Part B reimbursements to retirees and their spouses and coordinates the collection of overpayments.
- Coordinates and prepares monthly and annual financial reports in accordance with generally accepted accounting principles.
- Responsible for accounting, auditing, and monitoring custody banks' short term investments, stocks, bonds, equities, etc.
- Develops and prepares budget, expenditure plans, variance reports, and other reports to legislative committees.
- Acts as the focal point for conducting audits or participates as a team member on large or highly complex audits as well as audits of limited scope.
- Prepares and maintains detailed schedules of all physical assets.

### Participant Accounting Section

- Examines and audits employee-beneficiary accounts.

- Analyses and researches employee-beneficiary accounts whose account balances have a shortage or refund condition.
- Reviews all dunning letters (shortage and cancellation) and payroll override letters prior to issuing to employee-beneficiaries.
- Reviews, processes, and generates payments for refunds to employee-beneficiaries and records any adjustments to employee-beneficiary payroll deductions in the benefits administration system.
- Records, reviews, reconciles, and posts all payments received from employee-beneficiaries, employers, carriers, or other entities for accuracy. Retrieves and posts employee-beneficiary contributions through payroll deduction files from the various employers and lockbox files from the banks and uploads the files to the benefits administration system.
- Generates tax informational returns (1099-Misc) in accordance with the Internal Revenue Service guidelines i.e., such as to retirees who have domestic partners enrolled in health benefit plans.
- Initiates, coordinates, implements, and participates in changes to the benefits administration system which includes coordinating the testing of any configuration changes as related to the Financial Services Branch.
- Schedules, processes and monitors the batch jobs for the benefits administration system as related to the Financial Services Branch such as the semi-monthly pay period closing.
- Prepares new or updates contribution premium rate schedules to upload into the benefits administration system.

## INFORMATION SYSTEMS BRANCH

The Information Systems Branch plans, implements, procures, and coordinates all information and telecommunication resources and activities to meet EUTF's requirements in meeting its missions, goals and objectives and ensures compliance with pertinent laws, rules, and regulations such as the Health Insurance Portability and Accountability Act (HIPAA) and the Affordable Care Act (ACA).

### Applications Management Section

- Reviews, analyzes, designs, recommends, develops, plans, implements and supports EUTF's information technology and telecommunication requirements such as those to support business processes, rules administration, and compliance with applicable statutes, laws, rules, and regulations such as HIPAA and ACA.
- Designs, maintains, and supports the EUTF information systems applications such as those for benefits administration, document management, and the EUTF web site.
- Interfaces with contractors and other third party support to review, analyze, recommend, design, develop, implement and support application systems' requirements, import/export data files requirements, complex queries, user documentation, and user training.
- Interfaces with State resources, contractors and other third party support to facilitate identification, reporting, and resolution of hardware and software problems.
- Prepares test data, conducts systems tests, and corrects program/system problems to ensure program/system meets specified requirements.

- Coordinates, organizes, schedules, and assists with user acceptance testing and user training.
- Reviews, analyzes, designs, recommends, develops, plans, implements and supports application activities including but not limited to application modifications, enhancements, upgrades, and new application systems.
- Administers security access management of applications such as, but not limited to, the benefits administration systems, document management, and other in-house applications.
- Supports and assists EUTF staff to ensure application systems are working properly and efficiently to meet their work unit's goals and objectives.
- Schedules and runs tasks for purposes such as to create import/export data files, batch jobs, and batch files.
- Develops, designs, and implements queries and reports to user defined criteria and formats.
- Develops, designs, and analyzes applications/queries/reports to assist with data cleansing tasks and issues resolution.
- Interfaces with employers' groups to facilitate and to ensure accuracy, integrity, security, and timeliness of human resources and payroll data for purposes such as processing of eligibility, enrollments and premium contributions, and methods of data exchange.
- Supports 834 benefit enrollment and maintenance reporting related tasks or other electronic data interchange (EDI) transaction set benefit enrollment and maintenance reporting.
- Interfaces with carriers/third-party administrators to support eligibility reporting of data to enroll active employees, retirees, and their dependents in health benefit plans and life insurance.
- Designs, maintains and supports the EUTF web site and manages web content.
- Develops procedures, documents, and executes data backup and disaster recovery tasks of the EUTF information systems applications.
- Identifies requirements, develops specifications, and justifies and effectuates procurement information technology hardware, software and services.
- Formulates budgets and estimates costs for the information systems applications and data processing systems.

#### Systems Management Section

- Reviews, analyzes, designs, recommends, develops, plans, implements, and maintains a network infrastructure i.e. cabling, switches, routers, firewalls, in support of EUTF's applications and telecommunication requirements.
- Reviews, analyzes, designs, recommends, develops, plans, implements, and supports EUTF's telecommunication requirements such as the telephone and the automated call distribution system.
- Reviews, analyzes, designs, recommends, prepares work orders, and ensures proper functioning of telecommunication and network infrastructure.

- Reviews, analyzes, recommends, plans, installs, troubleshoots, repairs, and maintains hardware and software to support EUTF's servers, personal computers, printers and computer peripherals.
- Receives, records, and tracks EUTF's information technology hardware and software to include inventory tracking, monitoring use, transfer, and disposal.
- Provides technical information and support to staff to ensure that hardware and software are optimally functioning.
- Reviews and makes recommendations on requests for computer hardware and software.
- Monitors, reviews, audits, and maintains control of files and logs for accessing networking, telecommunication, and computing environment.
- Manages user accounts and resources for purposes such as utilizing password controls, allocating space quotas, and limiting resource usage with profiles.
- Reviews, analyzes, designs, recommends, develops, plans, documents, implements, and supports proper procedures for backup and recovery of operating systems, associated files, and other required or key data, including but not limited to, performing reviews, archiving, and purging of obsolete or unnecessary files.
- Provides support for document imaging hardware and software.
- Monitors disk capacity, storage, and retrieval requirements.
- Interfaces with State resources, contractors, and other third party support for activities related to supporting network infrastructure, telecommunication systems, and computing environment.
- Reviews, analyzes, recommends, develops plans, implements, and supports proper procedures to address security bulletins, security alerts, etc.
- Ensures security measures are implemented and adhered to in order to protect EUTF computing environment. This includes, but not limited to, use of encryption methods, VPN solutions, and set up and support of secure file transfer processes.
- Participates in the planning, design, and implementation of activities to ensure compliance with pertinent statutes, laws, rules, and regulations such as HIPAA and ACA.
- Identifies requirements, develops specifications, and justifies and effectuates procurement information technology hardware, software and services.
- Formulates budgets and estimates costs for the information systems applications and data processing systems.

#### MEMBER SERVICES BRANCH

- Provides accurate, timely and efficient services to its customers; the public employees, retirees, and their dependents; the benefit plan carriers; and the public employers.
- Serves as the liaison between the EUTF and its customers by actively fielding and responding to inquiries.
- Explains the EUTF program benefits and interfaces with its customers via all venues of communication.

- Administers employee benefit plans and determines and verifies member eligibility.

#### Enrollment Section

- Processes transactions for medical, prescription drug, dental, vision, life, and any other benefit coverage to include new applications, additions and changes, cancellations, and terminations affecting active employees, retirees, and their dependents.
- Performs testing of the benefits administration system.

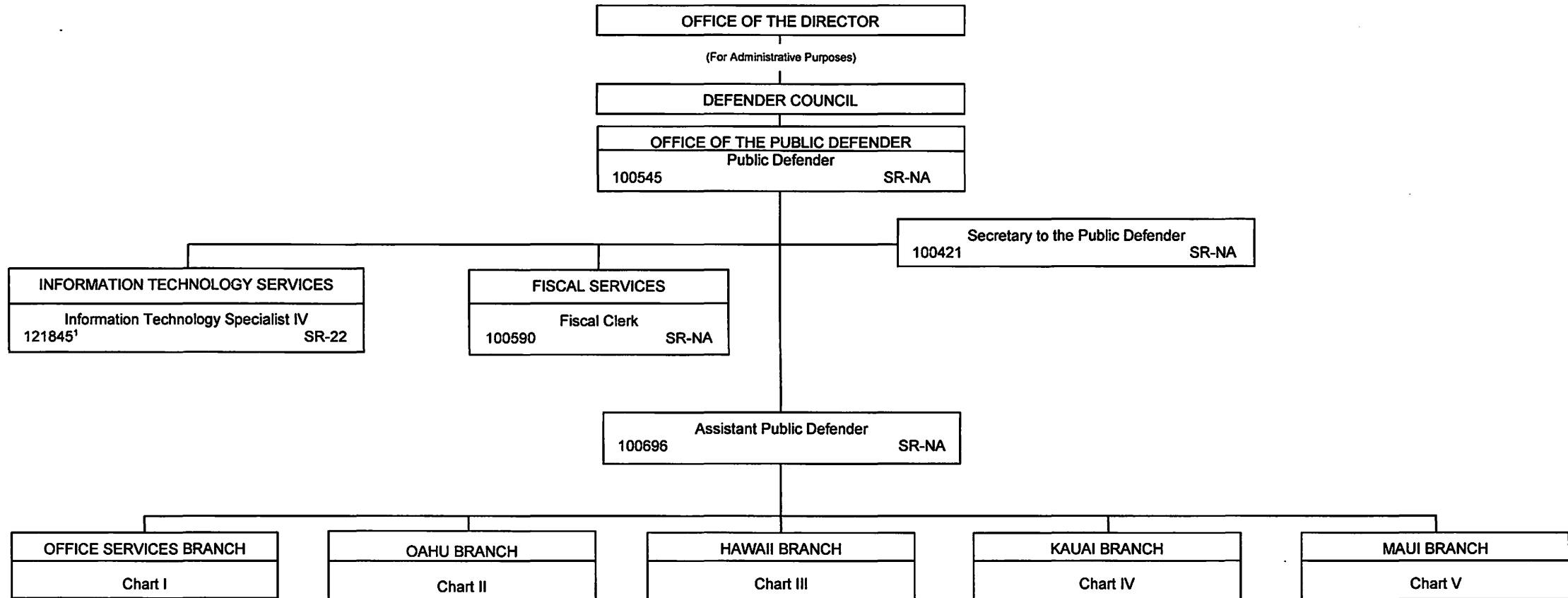
#### Customer Service Section

- Serves as the primary contact for beneficiaries, carriers and public employers for inquiries related to benefits, member eligibility and other related questions.

#### Outreach & Training Section

- Supports the development and implementation of appropriate policies and procedures to ensure EUTF's compliance with applicable state and federal laws.
- Trains branch staff in standard operating procedures.
- Trains State and county personnel and fiscal officers to enroll their respective employees in benefit plans.
- Conducts informational sessions to include pre-retirement briefings, retirement counseling, and open enrollment sessions.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE PUBLIC DEFENDER  
  
POSITION ORGANIZATION CHART

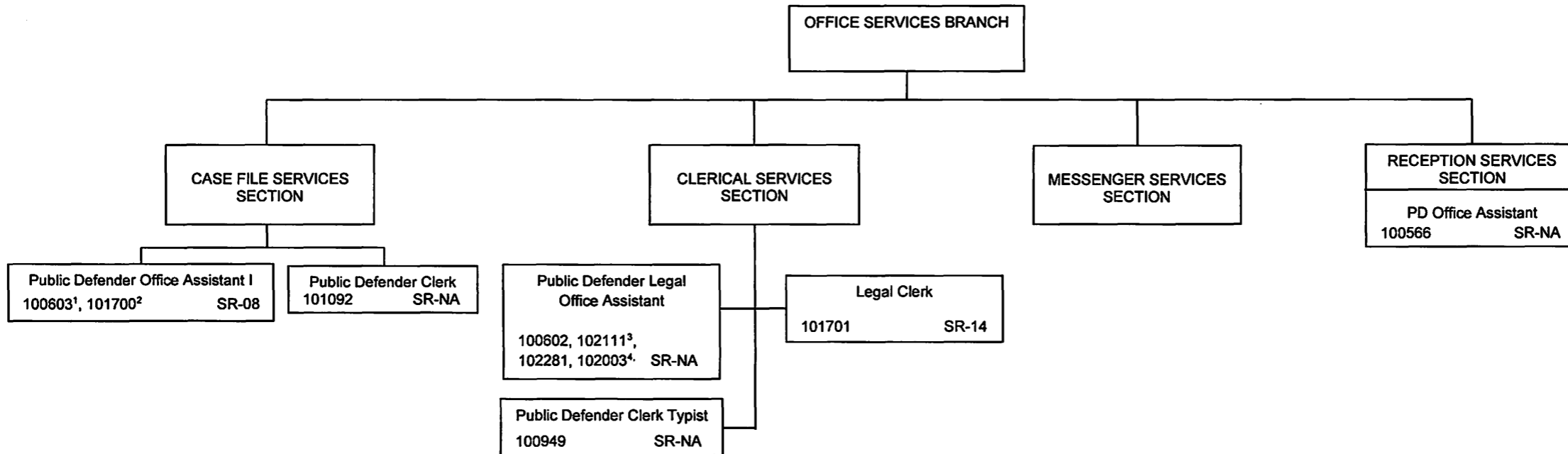


1. PN 121845 (Pseudo No. 960060), Information Technology Specialist IV, SR-24, established effective 10/20/15.



STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE PUBLIC DEFENDER  
OFFICE SERVICES

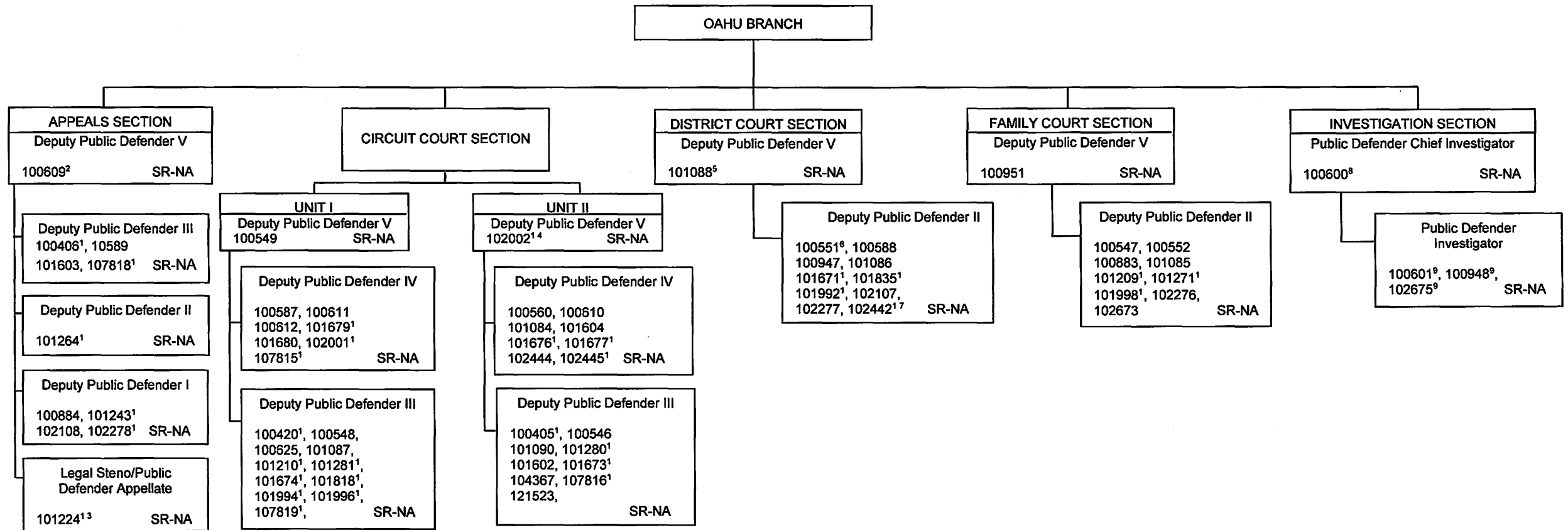
POSITION ORGANIZATION CHART



1. PN 100603, Clerk III, salary grade changed to SRNA effective 04/17/02. Current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees. Position detailed to Messenger Services effective 08/04/10 and to be retitled from Clerk III, SR-NA to PD Office Assistant I, SR-NA.
2. PN 101700, re-described from Clerk III, SR-NA to Public Defender Office Assistant I and moved to Case File Services, effective 10/30/15.
3. PN 102111, Public Defender Legal Office Assistant, SR-NA, current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees.
4. Temporary position, NTE 06/30/17.

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE PUBLIC DEFENDER  
ISLAND OF OAHU

POSITION ORGANIZATION CHART



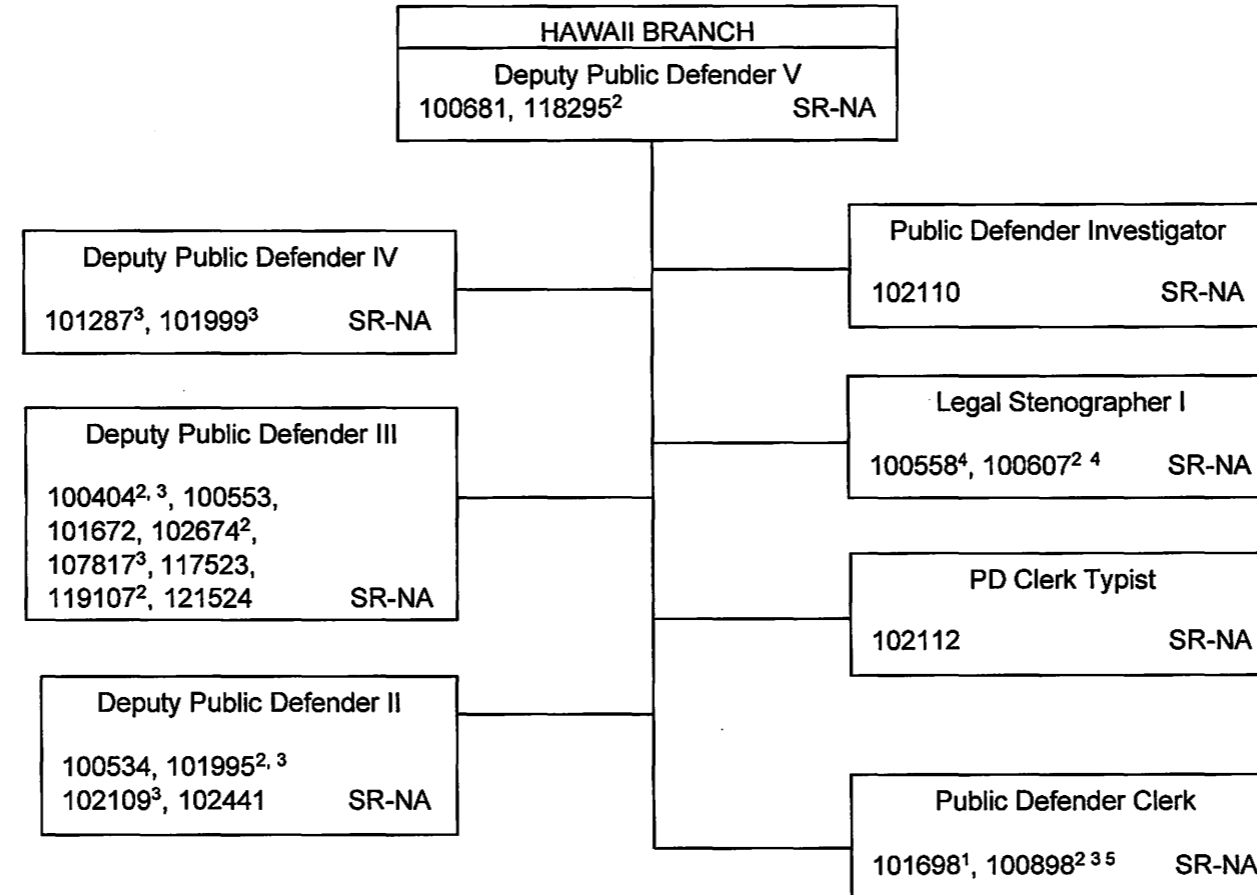
1. Temporary Positions, NTE 06/30/17.
2. PN 100609, Deputy Public Defender V, SR-NA, moved from Unit II of Circuit Court Section to Appeals Section effective 08/02/10.
3. PN 101224, Legal Steno/Public Defender Appellate, salary grade changed to SR-NA effective 04/17/02. Current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees.
4. PN 102002, Deputy Public Defender V, SR-NA, moved from District Court Section to Unit II of Circuit Court Section effective 08/08/13.
5. PN 101088, Deputy Public Defender V, SR-NA, moved from Appeals Section to District Court Section effective 08/08/13.
6. PN 100551, Deputy Public Defender II, SR-NA, detailed to Maui Branch effective 09/12/12.
7. PN 102442, Deputy Public Defender II, SR-NA, detailed to Kauai Branch effective 02/28/12.
8. PN 100600, Supervising Public Defender Investigator, salary grade changed to SR-NA effective 04/07/02. Position re-described to Public Defender Chief Investigator, SR-NA, effective 06/22/16.
9. PN 100601, 100948 and 102675, Public Defender Investigator, salary grade change to SR-NA, effective 04/17/02. Current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees.

As of June 30, 2016  
Prepared by ARO – HR Staff  
Date Prepared: August 2, 2016

Chart II

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE PUBLIC DEFENDER  
ISLAND OF HAWAII

POSITION ORGANIZATION CHART



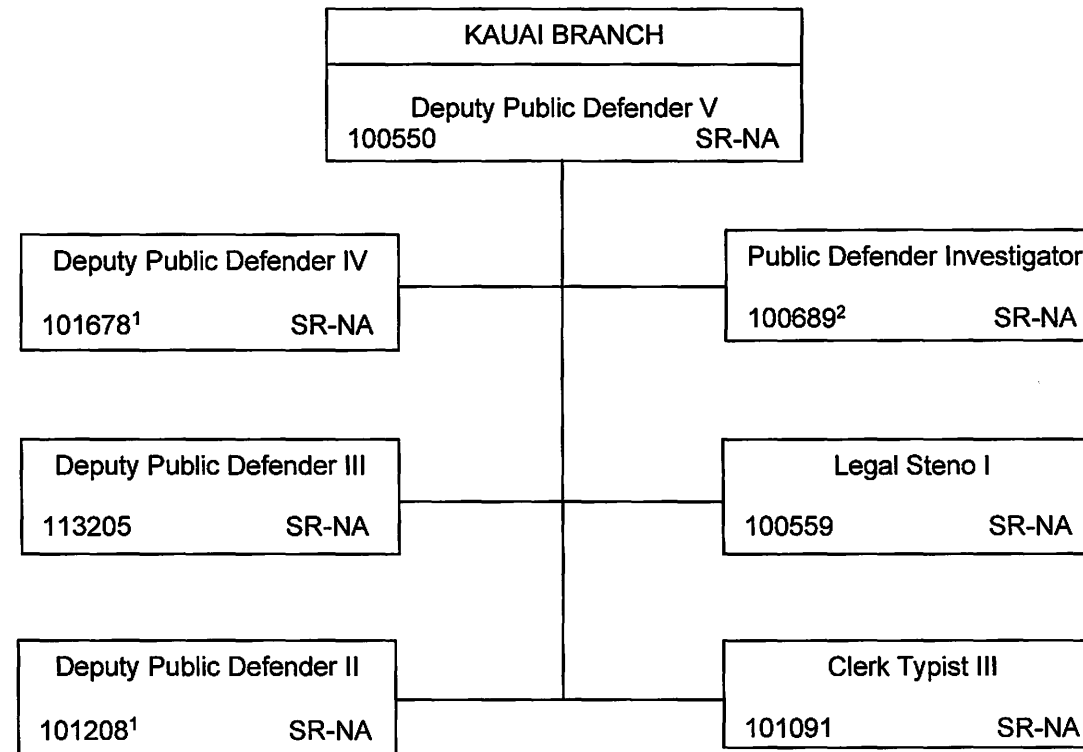
1. Position is 0.5 FTE.
2. Positions located in Kona, Hawaii.
3. Temporary Positions, NTE 06/30/17.
4. PN 100558 and 100607, Legal Stenographer I, salary grade changed to SR-NA effective 04/17/02. Current incumbents to continue to be assigned to salary schedules of the respective collective bargaining agreements until the positions become vacant. New hires in the positions will have SR-NA to be consistent with other exempt employees.
5. PN 100898, Public Defender Clerk, salary grade changed to SR-NA effective 04/17/02. Current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees.

As of June 30, 2016  
Prepared by ARO – HR Staff  
Date Prepared: August 2, 2016

Chart III

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 OFFICE OF THE PUBLIC DEFENDER  
 ISLAND OF KAUAI

POSITION ORGANIZATION CHART



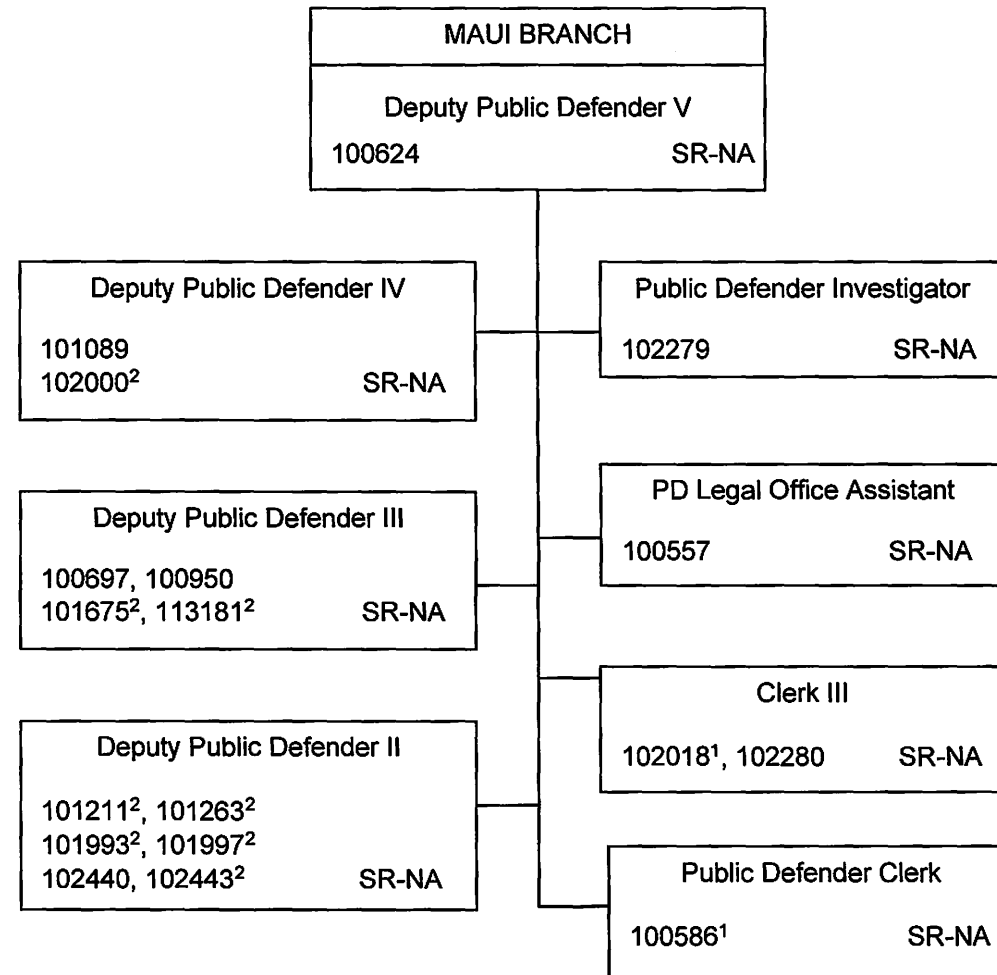
1. Temporary Positions, NTE 06/30/17.
2. PN 100689, Public Defender Investigator, salary grade changed to SR-NA effective 04/17/02. Current incumbent to continue to be assigned to salary schedules of the respective collective bargaining agreements until the position becomes vacant. New hire in the position will have SR-NA to be consistent with other exempt employees.

As of June 30, 2016  
 Prepared by ARO – HR Staff  
 Date Prepared: August 2, 2016

Chart IV

STATE OF HAWAII  
 DEPARTMENT OF BUDGET AND FINANCE  
 OFFICE OF THE PUBLIC DEFENDER  
 ISLAND OF MAUI

POSITION ORGANIZATION CHART



1. Positions are 0.5 FTE.
2. Temporary Positions, NTE 06/30/17.

As of June 30, 2016  
 Prepared by ARO – HR Staff  
 Date Prepared: August 2, 2016

Chart V

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
OFFICE OF THE PUBLIC DEFENDER

FUNCTIONAL STATEMENT

Under the policy and executive direction of the five (5) member Governor appointed Defender Council, the Office of the Public Defender provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services. These individuals have been: (1) arrested for, charged with, or convicted of an offense punishable by confinement in jail or prison or for which such persons may be subject to Family Court action; or (2) threatened by confinement against their will in any psychiatric or other mental institution or facility.

INFORMATION TECHNOLOGY SERVICES

Plans, procures, implements, installs, troubleshoots and maintains the full range of information technology services needed by the Office of Public Defender to operate efficiently and effectively. These services include, but are not limited to, networking, internet, cyber security, applications programming, database analysis and administration, business process analysis for systems development, and user training and support.

FISCAL SERVICES

Reviews and processes requests for payments for submittal to the Department's Budget and Fiscal Services.

OFFICE SERVICES BRANCH

Directs, assigns, and coordinates activities related to case file services, clerical services, messenger services, and reception services. Directs, assigns, and coordinates activities relating to: purchasing, inventory control, and equipment disposal, archiving, and retrieval of case files.

Case File Services Section

- Receives applications from clients.
- Sets initial appointments.
- Opens and closes case files.
- Maintains on-site case file storage and retrieval.

Clerical Services Section

- Types and transcribes documents.
- Advises clients of court appearances, status of cases, and appointments.
- Maintains court and deputy public defenders' calendars.
- Follows up on documents submitted for filing in court.

Messenger Services Section

- Delivers and logs documents for delivery, pick-up and routing to the Judiciary, Office of the Prosecuting Attorney, Department of Budget and Finance, and other locations.
- Photocopies police reports and distributes reports.

### Reception Services Section

- Receives and routes telephone calls and forwards messages.
- Receives and processes incoming and outgoing mail.
- Receives clients and other persons at the office

### OAHU BRANCH

Provides comprehensive legal and related services to the district, circuit and family courts, the Supreme Court and Intermediate Court of Appeals. For Circuit Court Divisions I and II, this includes custodial interrogations and line-ups; arraignments, pre-trial motions, bench warrant hearings, pre-trial and trial, pre-sentence investigations and sentencing, post-conviction proceedings, probation revocation hearings, and minimum term hearings. For District Court, this includes arraignments, bench warrant hearings, pre-trial and trial, pre-sentence investigations and sentencing and post-conviction proceedings. For Family Court, this includes probable cause and waiver hearings, arraignments, pre-trial motions, bench warrant hearings, pre-trial and trial, pre-sentence investigations and sentencing, post-conviction proceedings, and probation revocation hearings.

### Appeals Section

- Prepares appellate motions and briefs for the Supreme Court and Intermediate Court of Appeals. Reads, analyzes and briefs all pertinent judicial decisions, treatises and commentaries.
- Makes court appearances at hearings to determine issues of law arising out of proceedings in lower courts. Makes appearances for civil commitment hearings, parole hearings and appellate arguments.

### Circuit Court Section; Units I and II, District Court Section, and Family Court Section

- Conducts client interviews including preliminary determination of indigency, secures pertinent data relative to the client's personal history and the facts of the particular case or cases.
- Conducts follow-up activities to arrange for bail or the reduction thereof, or securing the release of the client on their own recognizance or on supervised release. Counsels clients with respect to their rights and available alternative courses of action.
- Researches the applicable law, reads, analyzes, and briefs all pertinent judicial decisions, treatises, and commentaries.
- Makes court appearances for preliminary arraignments and hearings, pre-trial motions hearings, pre-trial hearings, trials, sentencing, post-conviction proceedings, revocation hearings, and habeas corpus proceedings.

### Investigation Section

Investigates cases for the Office of the Public Defender.

- Gathers and marshals necessary evidence for use in the defense of criminal cases. Analyzes, evaluates, and determines whether evidence or information gathered is accurate and relevant to a particular case.
- Testifies in court, prepares reports and summaries, conducts intake screening of potential or referred clients, serves subpoenas, secures attendance of witnesses and other persons at judicial proceedings or for office interviews and operates specialized equipment to facilitate the investigatory process in gathering evidence.

## KAUAI, MAUI, AND HAWAII BRANCHES

Provides comprehensive legal and related services to the district, circuit, and family courts dealing with custodial interrogations and line-ups, preliminary hearings, arraignments, pre-trial motions, bench warrant hearings, pre-trial and trial, post-conviction proceedings, civil commitment hearings, probation and parole revocation hearings, and pre-sentence investigations and sentencing.

- Conducts client interviews including preliminary determination of indigency and secures pertinent data relative to the client's personal history and the facts of the particular case or cases.
- Conducts follow-up activities to arrange for bail or the reduction thereof or securing the release of the client on their own recognizance or on supervised release. Counsels clients with respect to their rights and available alternative courses of action.
- Researches the applicable law, reads, analyzes, and briefs all pertinent judicial decisions, treatises, and commentaries.
- Makes court appearances for preliminary arraignments and hearings, pre-trial motions hearings, pre-trial hearings, trials, sentencing, post-conviction proceedings, revocation hearings, habeas corpus proceedings, and civil commitment hearings. Also makes appearances before the Hawaii Paroling Authority.